



REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: 11/08/2021
Item No.: 5.d

Department Approval

Executive Director Approval

Janeé Gundlach

Paula J. Trueman

Item Description: Consider a Resolution authorizing the President and Executive Director to execute the Collateral Assignment of the Development Agreement for Roseville Housing Group II, LLC (Edison Apartments Phase II)

BACKGROUND

On July 19, 2019, the Roseville Economic Development Authority (REDA) authorized a Contract for Private Redevelopment and approved the Master Subordination Agreement and Estoppel of Certificate for Roseville Housing Group II, LLC (Edison Apartments Phase II). The developer’s first mortgage lender, Wells Fargo, is requesting Collateral Assignment of the Development Agreement (Attachment A). The REDA’s Contract for Private Development provides that the REDA’s will approve a collateral assignment of the contract, so long as such assignment is in a form reasonable acceptable to the REDA. The REDA must take formal action, by resolution, to approve the Collateral Assignment (Attachment B).

STAFF RECOMMENDATION

Staff recommends authorizing the President and Executive Director to sign the Collateral Assignment of the Development Agreement for Roseville Housing Group II, LLC.

REQUESTED REDA ACTION

By motion, adopt the resolution authorizing the President and Executive Director to sign the Collateral Assignment of the Development Agreement for Roseville Housing Group II, LLC.

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

- Attachments A: Collateral Assignment of the Development Agreement.
- B: Resolution authorizing the Collateral Assignment of the Development Agreement

**COLLATERAL ASSIGNMENT OF CONTRACT FOR PRIVATE
DEVELOPMENT**

This Collateral Assignment of Contract for Private Development (this “**Assignment**”) is made and entered into as of November [___], 2021, by ROSEVILLE EDISON II, LLC, a Minnesota limited liability company (“**Borrower**”) and ROSEVILLE HOUSING GROUP II, LLC, a Minnesota limited liability company (“**Manager**”), in favor of WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association (“**Lender**”), with the acknowledgment and consent of the ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic and political subdivision of the State of Minnesota (in such capacity, “**Authority**”). Capitalized terms used herein without specific definition shall have the meanings given to them in the Building Loan Agreement (as hereinafter defined).

A. Borrower is the owner of a leasehold interest and easements rights in certain land located in Ramsey County, Minnesota, described in Exhibit A (“**Land**”) to this Assignment. The Land is or will be improved with a multifamily rental housing project known or to be known as Edison II Apartments (the “**Improvements**” and, together with the Land, the “**Project**”).

B. Lender has made a Loan to Borrower pursuant to the Building Loan Agreement dated as of the date hereof by and among the Lender and Borrower (the “**Building Loan Agreement**”), in the maximum aggregate principal amount of [\$14,492,618] (the “**Loan**”). The Loan is evidenced by that certain Promissory Note dated on or about the date hereof (the “**Note**”), delivered by Borrower to Lender.

C. Pursuant to that certain Contract for Private Development dated as of July 19, 2021 (“**Development Agreement**”), by and among the Authority, Borrower, and Manager, the Authority has agreed to loan Borrower \$633,000 sourced from Tax Base Revitalization Account Contamination Cleanup Grant funds (“**TBRA Grant**”) from the Metropolitan Council, and grant to Manager of certain Minnesota Department of Employment and Economic Development Contamination Cleanup Grant funds in the amount of \$325,000 (“**DEED Grant**”).

D. Lender has required, as a condition to consenting to the Development Agreement, that Borrower and Manager each execute and deliver this Assignment.

NOW, THEREFORE, in consideration of the foregoing and to induce Lender to consent to the Development Agreement, Borrower and Manager agree as follows:

1. Assignment. Each of Borrower and Manager hereby transfers and assigns to Lender and grants to Lender, its successors and assigns, a security interest in all of its right, title and interest in and to the Development Agreement, the TBRA Grant and the DEED Grant funds as security for the Loan, and all future loans, advances, debts, liabilities, obligations, covenants and duties owing by Borrower and Manager to Lender of any kind or nature arising from the Loan. This Assignment shall constitute a perfected, absolute and present assignment, provided that Lender shall not have any right under this Assignment to exercise any remedies under this Assignment until an Event of Default (as defined in Section 8 hereof) shall occur.

2. Representations and Warranties. Each of Borrower and Manager represents and warrants to Lender and agrees as follows:

(a) Each of Borrower and Manager will not, without the prior written consent of Lender, which shall not be unreasonably withheld or delayed, modify, amend, supplement, terminate, surrender or change in any manner whatsoever Development Agreement, the TBRA Grant or the DEED Grant and will not release or discharge the obligations of any party thereto or modify or extend the time of performance thereunder or the scope of the work thereunder.

(b) The Development Agreement, the TBRA Grant and the DEED Grant are free and clear of all liens, security interests, assignments and encumbrances other than the assignment and security interest created by this Assignment or the Development Agreement.

(c) Except as may be restricted in the Development Agreement, the TBRA Grant or the DEED Grant, Each of Borrower and Manager has the full right, power and authority to assign the Development Agreement, the TBRA Grant and the DEED Grant free and clear of any and all liens, security interests and assignments.

(d) Each of Borrower and Manager will keep the Development Agreement, the TBRA Grant and the DEED Grant free from any lien, encumbrance, assignment, or security interest whatsoever, other than this Assignment and security interest.

(e) Each of Borrower and Manager will from time to time and at the request of Lender execute such documents and pay the cost of filing and recording the same and do such other acts and things as Lender may reasonably request to establish and maintain a first priority perfected security interest in the Development Agreement, the TBRA Grant and the DEED Grant which is valid and superior to all liens, claims or security interests whatsoever, or to otherwise further evidence or implement the provisions and intent of this Assignment.

3. Covenants of Borrower and Manager. Each of Borrower and Manager covenants and agrees that:

(a) It shall perform each and every one of its duties and obligations under the Development Agreement, the TBRA Grant and the DEED Grant and observe and comply with each and every term, covenant, condition, agreement, requirement, restriction and provision of the Development Agreement, the TBRA Grant and the DEED Grant.

(b) It shall give prompt written notice to Lender of any claim or notice of default under the Development Agreement, the TBRA Grant or the DEED Grant known or given to it together with a copy of any such notice or claim.

(c) It will appear in and defend any action arising out of or in any manner connected with the Development Agreement, the TBRA Grant or the DEED Grant and the duties and obligations of each of Borrower and Manager thereunder.

4. Purpose of Assignment. This Assignment is made to induce Lender to consent to the Development Agreement and for the purpose of securing the performance and observance by Borrower of all of the terms and conditions of the Building Loan Agreement and all other obligations of Borrower and Manager under the Loan Documents (as defined in the Building Loan Agreement) in connection with the Project.

5. Right to Act on Behalf of Borrower and Manager; Payments under Development Agreement, the TBRA Grant and the DEED Grant. Each of Borrower and Manager hereby authorizes Lender (and all persons and entities designated by Lender) during an Event of Default to act on its behalf either in the name of Borrower, Manager, or Lender (or the name of the person and entity designated by Lender) in connection with the exercise of any of the rights of Borrower and Manager under the Development Agreement, the TBRA Grant and the DEED Grant. For as long as the Loan is outstanding, each of Borrower and Manager hereby irrevocably constitutes and appoints Lender (and all persons and entities designated by Lender) as its attorney-in-fact to demand, receive and enforce Borrower's and Manager's respective rights with respect to the Development Agreement, the TBRA Grant and the DEED Grant. Each of Borrower and Manager agrees to reimburse Lender on demand for any expenses incurred by Lender, or its agents or attorneys, including, without limitation, reasonable attorneys' fees, pursuant to the aforesaid authorization. Each of Borrower and Manager hereby irrevocably instructs, directs, authorizes and empowers all parties to the Development Agreement, the TBRA Grant and the DEED Grant to recognize the claims of Lender, and its successors or assigns hereunder, in the event Lender elects to assume the obligations of the Borrower or Manager, or both, under the Development Agreement, and to act upon any instructions or directions of Lender (and all persons and entities designated by Lender) without investigating the reason for any action taken by Lender (or such other party or parties). The representations in this paragraph are subject in all respect to the provisions of the Grant Agreements (as defined in the Development Agreement).

6. No Assumption By Lender. It is understood and agreed that by its acceptance of this Assignment, unless expressly set forth herein Lender neither assumes the obligations or duties imposed upon Borrower and Manager under the Development Agreement nor accepts any responsibility or liability for the performance of any of the obligations imposed upon Borrower and Manager pursuant to the Development Agreement.

7. Scope of Assignment. The rights assigned by this Assignment include but are not limited to all of Borrower's and Manager's interest in the Development Agreement, the TBRA Grant and the DEED Grant, including all right, power, privilege and option to modify or amend the Development Agreement, the TBRA Grant or the DEED Grant, or waive or release the performance or satisfaction of any duty or obligation under the Development Agreement, the TBRA Grant or the DEED Grant; provided, prior to any Event of Default (defined below), Borrower or Manager, as applicable, shall have the right to apply the funds for the purposes stated in the Development Agreement.

8. Event of Default. An "**Event of Default**" shall mean the occurrence of any default under the Development Agreement and the continuation of such default beyond any applicable grace period, or the occurrence of any Event of Default under any of the Loan Documents (as defined in the Building Loan Agreement).

9. Remedies. Upon the occurrence of an Event of Default, Lender may, without demand or performance or other demand, advertisement, or notice of any kind, except such notice as may be required under the Uniform Commercial Code and all of which are, to the extent permitted by law, hereby expressly waived, (a) collect the amounts payable to Borrower and Manager pursuant to the TBRA Grant and the DEED Grant and shall hold such amounts free and clear of the interest of Borrower and Manager therein and shall be entitled to own, hold, dispose of and otherwise deal with the amounts payable pursuant to the TBRA Grant and the DEED Grant in its own right and name as its own property, or in the name of Borrower or Manager or otherwise, exercise any right of Borrower or Manager to demand, collect, receive and receipt for, compromise, compound, settle and prosecute and discontinue any suits or proceedings in respect of any or all of the amounts payable pursuant to the TBRA Grant and the DEED Grant; (b) take any action that Lender may deem necessary or desirable in order to collect the amounts payable pursuant to the TBRA Grant and the DEED Grant; exercise any of the remedies available to a secured party under the Uniform Commercial Code and/or to proceed to protect and enforce this Assignment by suits or proceedings or otherwise; and (c) enforce any other legal or equitable remedy available to Lender. The foregoing remedies are cumulative of and in addition to and are not restrictive of or in lieu of, the rights or remedies provided for or allowed in the Building Loan Agreement or any other instrument given for the security of or in connection with the making of the Loan, or as provided for or allowed by law or in equity.

10. [Reserved.]

11. Indemnity. Excluding any obligations to make payments on the Loan pursuant to the terms and conditions of the Building Loan Agreement, Lender shall not have any obligation to perform or satisfy any duty or obligation of Borrower or Manager under the Development Agreement. Each of Borrower and Manger shall and do hereby indemnify, defend and hold Lender harmless from and against and in respect of any and all actions, causes of action, suits, claims, demands, judgments, proceedings and investigations (or any appeal thereof or relative thereto or other review thereof) except for those arising from the gross negligence or willful misconduct of Lender and its respective successors, assigns, directors, officers, employees, agents and representatives, arising out of, by reason of, as a result of or in connection with the Development Agreement, the TBRA Grant or the DEED Grant, and any and all liabilities, damages, losses, costs, expenses (including reasonable attorneys' fees and expenses and disbursements of counsel), amounts of judgment, assessments, fines or penalties, and amounts paid in compromise or settlement, suffered, incurred or sustained by Lender as a result of, or reason of or in connection with any of the matters above.

12. Uniform Commercial Code. To the extent that this Assignment may be governed by the provisions of the Uniform Commercial Code now or hereafter in effect, this Assignment shall be deemed to be a security agreement within the meaning of the Uniform Commercial Code, shall be governed by the provisions thereof and shall constitute a grant to Lender of a security interest in the Development Agreement, the TBRA Grant and the DEED Grant.

13. Choice of Law. Notwithstanding the place of execution of this instrument, the parties to this Assignment have contracted for Minnesota law to govern this Assignment and it is agreed that this Assignment is made pursuant to, and shall be construed and governed by, the laws of the State of Minnesota without regard to the principles of conflicts of law.

14. Notices. Any notices and other communications permitted or required by the provisions of this Assignment (except for telephonic notices expressly permitted) shall be in writing and shall be deemed to have been properly given or served by depositing the same with the United States Postal Service, or any official successor thereto, designated as Certified Mail, Return Receipt Requested, bearing adequate postage, or deposited with a reputable private courier or overnight delivery service, and addressed as hereinafter provided. Each such notice shall be effective upon being deposited as aforesaid. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice sent. By giving to the other party hereto at least 10 days' notice thereof, either party hereto shall have the right from time to time to change its address and shall have the right to specify as its address any other address within the United States of America.

Each notice to Lender shall be addressed as follows:

Wells Fargo Bank, National Association
550 S. Tryon Street
23rd Floor, D1086-239
Charlotte, NC 28202-4200
Attn: Manager, Deal Management (Loan No. 1020104)

Each notice to Borrower shall be addressed as follows:

Roseville Edison II, LLC
366 South Tenth Ave.
PO Box 727
Waite Park, MN 56387

with copies to:

Wells Fargo Affordable Housing Community Development
Corporation
550 S. Tryon Street
23rd Floor, D1086-239
Charlotte, NC 28202-4200
Attn: Director of Tax Credit Asset Management

Each notice to Manager shall be addressed as follows:

Roseville Housing Group II, LLC
366 South Tenth Ave.
PO Box 727
Waite Park, MN 56387

15. Successors and Assigns; Recording. This Assignment shall bind Borrower and Manager and each of their respective successors and assigns, and shall inure to the benefit of Lender and its successors and assigns. At the option of Lender, this Assignment may be recorded in the land records of Ramsey County, Minnesota.

16. Acknowledgement and Consent of Authority. Authority has acknowledged and consented to the assignment of the Development Agreement, the TBRA Grant and the DEED Grant funds to Lender pursuant to the terms of the consent executed by Authority and attached hereto as Exhibit B.

17. Release. Upon a determination by Lender that the obligations secured by this assignment have been fully satisfied, Lender shall thereupon deliver to Borrower such instruments of release as, in the opinion of Borrower, may be necessary to release the interests of Lender in the Development Agreement, the TBRA Grant or the DEED Grant.

[Remainder of this page has been left blank intentionally]

IN WITNESS WHEREOF, Borrower and Manager have executed this Collateral Assignment Contract for Private Development as of the date and year first written above.

BORROWER:

ROSEVILLE EDISON II, LLC, a Minnesota limited liability company

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

By: _____
James J. Thelen, Secretary/Treasurer

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by James J. Thelen, the Secretary/Treasurer of Roseville Housing Group II, LLC, a Minnesota limited liability company, the Manager of Roseville Edison II, LLC, a Minnesota limited liability company, for and on behalf of said limited liability company.

WITNESS my hand and official seal.

Notary Public

My commission expires: _____.

[Signature Page 1 of 2 to Collateral Assignment of Development Agreement – Edison II Apartments]

**EXHIBIT A
LEGAL DESCRIPTION**

All that certain real property located in the County of Ramsey, State of Minnesota, described as follows:

That part of the following described property:

Parcel 1:

That part of the Northwest Quarter of Section 5, Township 29, Range 23, Ramsey County, Minnesota, lying Southeasterly of the center line of Trunk Highway No. 8 and Northwesterly of the Southeasterly line of Highway 8-63 as relocated and lying South of a line parallel with and distant 210.76 feet South of the North line of said Northwest Quarter, and lying Northerly of a line described as follows: Beginning at a point on said center line of Trunk Highway No. 8, distant 1053.34 feet Southwest of its intersection with said North line of Northwest Quarter; thence Southeast at right angles to said center line on Northeast line of land conveyed to Northern States Power Co., 403 feet; thence at right angles Northeast 109.3 feet to a point hereinafter known as point "A"; thence 620.2 feet more or less, to a point on the East line of said Northwest Quarter distant 978.76 feet South of the Northeast corner thereof, together with the right, shared with Clara Jacobs to full use of one of the three crossings across the land conveyed to Northern States Power Co. as reserved and described in deed recorded "904" Deeds 386; and subject to highway easement for Trunk Highway No. 8 and subject to easement for driveway or roadway granted to Clara Jacobs over the Southwesterly 30 feet, except the Northwesterly 40 feet thereof, of tract herein conveyed.

Described as follows: Commencing at the northwest corner of the above described property; thence easterly along a line parallel with and distant 210.76 feet South of the North line of said Northwest Quarter, a distance of 211.42 feet; thence southerly deflecting to the right 90 degrees 00 minutes 00 seconds, a distance of 98.65 feet; thence southwesterly, deflecting to the right 38 degrees 27 minutes 42 seconds, a distance of 146.16 feet; thence southwesterly deflecting to the left 8 degrees 54 minutes 17 seconds, a distance of 243.20 feet; thence southwesterly deflecting to the right 8 degrees 54 minutes 17 seconds, a distance of 127.25 feet to a point hereinafter known as point "B"; thence northwesterly, deflecting to the right 90 degrees 00 minutes 00 seconds, a distance of 224.55 feet to a line which lies 40.00 feet southeasterly of the northwesterly line of the above described property and the point of beginning of the property to be described; thence southeasterly deflecting to the right 180 degrees 00 minutes 00 seconds, a distance of 224.55 feet to said point "B"; thence southeasterly, on the continuation of the last described line, a distance of 31.90 feet; thence southerly deflecting to the right, 55 degrees 52 minutes 01 seconds, a distance of 189.88 feet; thence southwesterly, deflecting to the right, 34 degrees 07 minutes 59 seconds, a distance of 57.68 feet to a corner on the southerly line of the above described property; thence southerly, on the continuation of the last described line and a southerly line of the above described property, a distance of 109.30 feet to a corner on the southerly line of the above described property; thence northwesterly, deflecting to the right 90 degrees 00 minutes 00 seconds, along said southerly line, a distance of 363.00 feet to said line which lies 40.00 feet southeasterly of the northwesterly line of the above described property; thence northeasterly, deflecting to the right 90

degrees 00 minutes 00 seconds, along said line a distance of 324.15 feet to the point of beginning and there terminating.

Parcel 2:

Together with the easements for Shared Access Improvements, Old Highway 8 Access Drive, Parking Utility, and Temporary Construction described in Reciprocal Easement Agreement by and between Roseville Edison, LLC, Edison Apartments, LLC, and Edison Land, LLC, dated November 16, 2018, recorded November 19, 2018, as Document No. A04735649.

EXHIBIT B

**CONSENT TO COLLATERAL ASSIGNMENT OF CONTRACT FOR PRIVATE
DEVELOPMENT**

[SEE ATTACHED]

CONSENT TO COLLATERAL ASSIGNMENT OF CONTRACT FOR PRIVATE DEVELOPMENT

In consideration of the Lender consenting to the Development Agreement on the date hereof regarding a multifamily rental housing apartment project known or to be known as Edison II Apartments (the "Project") in the City of Roseville, Minnesota, the ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic and political subdivision of the State of Minnesota (in such capacity, "Authority"), hereby executes this Consent to Collateral Assignment of Contract for Private Development ("Consent") to acknowledge and consent to the Collateral Assignment of Contract for Private Development dated November [], 2021 (the "Assignment"), by ROSEVILLE EDISON II, LLC, a Minnesota limited liability company ("Borrower") and ROSEVILLE HOUSING GROUP II, LLC, a Minnesota limited liability company (the "Manager"), to the Lender as collateral security for the Loan to the Lender in furtherance of such assignment, and further acknowledges and agrees with the Lender as follows:

1. Whenever the Authority provides written notice to Borrower or Manager of an "Event of Default," as defined in the Development Agreement, the Authority shall simultaneously provide such written notice to Lender and the Borrower's tax credit investor, Wells Fargo Affordable Housing Community Development Corporation ("Tax Credit Investor") (such notice to be given in accordance with Section 14 of the Assignment). Failure to provide such notice shall not have an impact on the Authority's rights or remedies under the Development Agreement. . The Authority agrees that it shall not suspend its performance under the Development Agreement, the TBRA Grant or the DEED Grant if the Lender or Tax Credit Investor cures (or causes to be cured) all uncured Events of Default in accordance with the terms of the Development Agreement subject to compliance with the Grant Agreements

2. For as long as the Assignment is in effect, the Authority shall not cancel and/or rescind the Development Agreement, the TBRA Grant or the DEED Grant as a result Borrower's or Manager's bankruptcy or insolvency so long as the Borrower and the Manager are otherwise in full compliance with the Development Agreement.

3. Notwithstanding the security interests of Lender in the Development Agreement, the TBRA Grant and the DEED Grant, as set forth in the Assignment, or rights to cure any Event of Default specified in Section 9.1 of the Development Agreement, as set forth in this Consent, neither Lender nor Tax Credit Investor shall have an obligation or liability whatsoever to the Authority, or any other person having any relationship, contractual or otherwise, with the Authority, nor shall Lender and/or Tax Credit Investor be obligated to perform any of the obligations or duties of Borrower or Manager under the Development Agreement. The Authority shall only be obligated to pay under the TBRA Grant or the DEED Grant if the Borrower and Manager are in compliance in all respects with the terms of the Development Agreement and the Grant Agreements (as defined in the Development Agreement), or, except as provided in Section 2 of this Consent, if an Event of Default is declared and remains uncured after the expiration of applicable notice and cure periods, the Lender or Tax Credit Investor agrees to perform and has performed the obligations of the Borrower or Manager necessary to cure such Event of Default. Notwithstanding anything herein to the contrary, the Authority shall not be obligated to pay any amounts under the TBRA Grant or the DEED Grant unless and until it receives the proceeds of

such grants from the Metropolitan Council or the Department of Employment and Economic Development in accordance with the Development Agreement and the Grant Agreements (as defined in the Development Agreement). In addition, any payment of TBRA Grant or DEED Grant funds to the Lender or Tax Credit Investor is subject to the approval and consent of the Minnesota Department of Employment and Economic Development or the Metropolitan Council, as applicable.

4. The undersigned shall, from time to time, promptly execute and deliver such further instruments, documents and agreements, and perform such further acts as may be necessary or proper to carry out and effect the terms of the Assignment and this Consent subject to approval by the EDA's attorney and at the sole cost and expense of the Borrower.

5. This Consent is being given to induce Lender to consent to the Development Agreement and to accept the Assignment, and with the understanding that Lender will rely hereon.

Executed by Authority to be effective as of November [__], 2021.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Authority has executed this Consent to Collateral Assignment of Contract for Private Development as of the date appearing on the last page of this Consent.

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

By _____
Dan Roe, President

By _____
Patrick Trudgeon, Executive Director

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ____ day of _____ 2021, by Dan Roe and Patrick Trudgeon, the President and Executive Director, respectively, of the Roseville Economic Development Authority, a public body politic and corporate under the laws of the State of Minnesota, on behalf of the Authority.

WITNESS my hand and official seal.

Notary Public

My commission expires:_____.

[Signature Page to Consent to Collateral Assignment of Development Agreement – Edison II Apartments]

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

* * * * *

Pursuant to due call and notice thereof, a regular meeting of the Board of Commissioners (the “Board”) of the Roseville Economic Development Authority (“REDA”) was duly held on the 8th day of November, 2021, immediately preceding the meeting of the City Council of the City of Roseville.

The following members were present:

and the following were absent: .

Member introduced the following resolution and moved its adoption:

RESOLUTION No. __

RESOLUTION APPROVING COLLATERAL ASSIGNMENT OF CONTRACT FOR PRIVATE DEVELOPMENT BETWEEN THE ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY, ROSEVILLE EDISON II, LLC, AND ROSEVILLE HOUSING GROUP II, LLC

WHEREAS, the Roseville Economic Development Authority (“REDA”) administers Development District No. 1 (the "Development District") and is authorized to undertake certain activities to prepare real property within the Development District for development and redevelopment by private enterprise pursuant to Minnesota Statutes, Sections 469.001 to 469.047 and 469.090 to 469.1081; and

WHEREAS, REDA, Roseville Edison II, LLC (the “Owner”), and Roseville Housing Group II, LLC (the “Developer”) entered into a Contract for Private Development, dated as of July 19, 2021 (the “Contract”), regarding the development of certain property within the City of Roseville consisting of the construction of a multifamily rental housing facility (the “Minimum Improvements”), the award of certain grant proceeds to the Developer and the making by REDA of a deferred loan of certain other grant proceeds to the Owner; and

WHEREAS, in order to receive financing for the Minimum Improvements, the Owner’s mortgage lender, Wells Fargo Bank, National Association (the “Lender”) requires REDA’s consent to a collateral assignment of the Contract as set

46 forth in the Collateral Assignment of Contract for Private Development, as
47 presented to REDA for review and approval (the “Collateral
48 Assignment”); and
49

50 WHEREAS, Section 7.4 of the Contract provides REDA’s agreement to a collateral
51 assignment of the Contract, so long as such collateral assignment is in a form
52 reasonably acceptable to the Authority; and
53

54 WHEREAS, REDA’s Board of Commissioners (the “Board”) and legal counsel have
55 reviewed the Collateral Assignment, and find that the approval and
56 execution of the Collateral Assignment and consent attached to the Collateral
57 Assignment (the “Consent”) are in the best interest of the City of Roseville
58 and its residents.
59

60 NOW, THEREFORE, BE IT RESOLVED, that the Collateral Assignment and the
61 Consent as presented to the Board are hereby in all respects approved,
62 subject to modifications that do not alter the substance of the transaction
63 and that are approved by the President and Executive Director, provided
64 that execution of the Consent by such officials shall be conclusive
65 evidence of approval.
66

67 BE IT FURTHER RESOLVED that the President and Executive Director are hereby
68 authorized to execute on behalf of REDA the Consent, and any other
69 documents requiring execution by REDA, in order to carry out the
70 transaction described in the Collateral Assignment.
71

72 BE IT FURTHER RESOLVED that REDA staff and consultants are authorized to take
73 any actions necessary to carry out the intent of this resolution.
74

75
76
77 The motion for the adoption of the foregoing resolution was duly seconded by Member

78
79 , and upon a vote being taken thereon, the following voted in favor thereof:

80
81 and the following voted against the same:

82
83 WHEREUPON said resolution was declared duly passed and adopted.
84

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 8, 2021.

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, 2021.

Patrick Trudgeon, Executive Director
Roseville Economic Development
Authority