



Minutes
Roseville Economic Development Authority (REDA)
City Council Chambers, 2660 Civic Center Drive
Monday, June 8, 2020 – 6:00 p.m.

Pursuant to Minn. Stat. 13.D.021, City Council members, City Staff, and members of the public participated in this meeting electronically due to the COVID-19 pandemic.

1. Roll Call

President Dan Roe called to order a meeting of the Roseville Economic Development Authority (REDA) in and for the City of Roseville at approximately 6:00 p.m. Voting and Seating Order: Laliberte, Etten, Willmus, Groff, and Roe.

Present: President Dan Roe and Board Members Robert Willmus, Jason Etten, Wayne Groff, and Lisa Laliberte.

Others Present: Attorney Martha Ingram, Executive Director Pat Trudgeon, and Housing & Economic Development Program Manager Jeanne Kelsey

2. Pledge of Allegiance

3. Approve Agenda

Laliberte moved, Willmus seconded, approve the agenda as presented.

Ayes: 5

Nays: 0

Motion carried.

4. Public Comment

5. Business Items

a. Adopt Resolution Approving Subordination of the Development Contract Between the Roseville EDA and Great Southern Bank for 2720 Fairview Group, LLC.

Housing & Economic Development Program Manager Jeanne Kelsey provided a brief summary of this request as detailed in the staff report and attachments dated June 8, 2020.

Member Groff asked if the city will be second in position if there were a default on this property by the developer and Roseville would be paid off after the bank.

City Attorney Martha Ingram explained it was basically correct but there is essentially nothing to be paid off in this particular case because the EDA does

not have a mortgage related to this agreement. What the EDA does have is certain rights under the agreement that it is agreeing and are going to be subject to the rights of the bank. The main right that is subject to the right of the bank is the TIF note amounts which are going to be payable to the bank rather than to the developer as collateral for the construction loan for the project.

City Attorney Ingram indicated if the Council looks at the subordination agreement itself, particularly paragraph six, the way the subordination is drafted, certain rights of the authority are carefully carved out to make sure that those are not subordinated to the lender. One of them is the use of the property under the development contract, which is multi-family. One of them is the Authority's rights under the minimum market value assessment agreement. Another important one is that the Authority is not going to subordinate its rights to either suspend or terminate payments on the TIF note in case of default on the note by the developer.

President Roe offered an opportunity for public comment with no one indicating a desire to speak to this issue.

Groff moved, Etten seconded, adoption of REDA Resolution No. 63 entitled, "Resolution Approving Subordination of Development Contract Between the Roseville Economic Development and Great Southern Bank."

Ayes: 5
Nays: 0
Motion carried.

6. **Adjourn**

Laliberte moved, Willmus seconded, adjourning the REDA meeting at approximately 6:10 p.m.

Ayes: 5
Nays: 0
Motion carried.

ATTEST:



Patrick Trudgeon, Executive Director



Daniel J. Roe, President