

COLUMBIA HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. 2025-28

RESOLUTION AUTHORIZING EXECUTION OF A SECOND AMENDED AND RESTATED TAX INCREMENT PLEDGE AGREEMENT WITH THE CITY OF COLUMBIA HEIGHTS RELATING TO TAXABLE GENERAL OBLIGATION TAX INCREMENT REFUNDING BONDS, SERIES 2026A

BE IT RESOLVED by the Board of Commissioners (the “Board”) of the Columbia Heights Economic Development Authority (the “Authority”) as follows:

Section 1. Recitals.

1.01. The City of Columbia Heights, Minnesota (the “City”) has established, and the Authority administers, the Alatus TIF District (the “TIF District”), a redevelopment district within the Downtown Central Business Redevelopment Project (the “Redevelopment Project”) within the City, pursuant to Minnesota Statutes, Sections 469.174 through 469.1794, as amended (the “TIF Act”), and adopted a tax increment financing plan for the TIF District (the “TIF Plan”).

1.02. Pursuant to the authority conferred by Section 469.178, subdivision 5 of the TIF Act and Minnesota Statutes, Chapter 475, as amended (the “Municipal Debt Act”), including Section 475.61, subdivision 6, the City issued its Taxable General Obligation Temporary Tax Increment Bonds, Series 2021A (the “Series 2021A Bond”), dated July 29, 2021, in the original aggregate principal amount of \$5,935,000, to pay all or a portion of the public redevelopment costs incurred or to be incurred within the Redevelopment Project as identified in the TIF Plan, including but not limited to a bridge loan provided to Alatus Columbia Heights II LLC, a Delaware limited liability company (the “Developer”), for land acquisition, demolition, and related costs (the “Project Costs”), and the Developer agreed to pay the City’s financing and other related costs related to issuing the Series 2021A Bond.

1.03. The City and the Authority entered into a Tax Increment Pledge Agreement, dated July 29, 2021 (the “Original Pledge Agreement”), relating to the payment of principal of and interest on the Series 2021A Bond and providing for the pledge of tax increment revenues generated from the TIF District to secure the payment of principal of, premium, if any, and interest on the Series 2021A Bond.

1.04. Prior to the maturity of the Series 2021A Bond, the City determined it to be necessary to provide additional temporary financing for the Project Costs and to issue an additional series of temporary bonds for such purpose.

1.05. Pursuant to the authority conferred by the TIF Act, including Section 469.178, subdivision 5, and the Municipal Debt Act, including Sections 475.61, subdivision 6, and 475.67, subdivision 3, and a resolution adopted by the City Council of the City on November 27, 2023, the City issued its Taxable General Obligation Temporary Tax Increment Refunding Bonds, Series 2023A (the “Series 2023A Bond”), in the original aggregate principal amount of \$6,615,000, to refund the Series 2021A Bond prior to maturity and provide additional temporary financing for the Project Costs.

1.06. In connection with the issuance of the Series 2023A Bond, the City and the Authority entered into the Amended and Restated Tax Increment Pledge Agreement, dated December 14, 2023 (the “First Amended Agreement”), which amended and restated the Original Agreement, providing for the

pledge of tax increment revenues generated from the TIF District to secure the payment of principal of, premium, if any, and interest on the Series 2023A Bond.

1.07. The Series 2023A Bond matures on February 1, 2026 and is payable on such date from tax increments resulting in increases in the taxable value of real property in the TIF District and/or from proceeds of permanent bonds to be issued by the City prior to such maturity.

1.08. The City has determined the need to issue permanent bonds to refinance the Series 2023A Bond, thereby providing permanent financing for the Project Costs. To that end, at an upcoming meeting of the City Council of the City, but in no event later than February 1, 2026, the City Council will consider a resolution authorizing the issuance and sale of the City's Taxable General Obligation Tax Increment Refunding Bonds, Series 2026A (the "Bonds"), in the maximum aggregate principal amount sufficient to pay: (i) the principal of, interest on, and premium, if any, on the Series 2023A Bond on the redemption date thereof, (ii) interest on the Bonds for a period not exceeding three years from their date of issue or such other maximum period under the Municipal Debt Act, and (iii) costs of issuance, pursuant to the TIF Act, including Section 469.178, subdivision 5, and the Municipal Debt Act, including Section 475.67, subdivision 3. The proceeds of the Bonds will be used to refund the Series 2023A Bond prior to maturity and provide permanent financing for the Project Costs.

1.09. There has been presented to the Board a Second Amended and Restated Tax Increment Pledge Agreement (the "Pledge Agreement") between the Authority and the City, which amends and restates the Original Pledge Agreement, as amended and restated by the First Amended Pledge Agreement, relating to the payment of principal and interest on the Bonds and providing for the pledge of tax increment revenues generated from the TIF District to secure the payment of principal of, premium, if any, and interest on the Bonds.

Section 2. Approval.

2.01. The Board hereby approves the pledge to the City of tax increment revenues attributable to the TIF District for the payment of principal of, premium, if any, and interest on the Bonds.

2.02. The President and Executive Director of the Authority are hereby authorized to execute and deliver the Pledge Agreement substantially in the form on file with the Board, providing for the pledge of tax increment derived from property in the TIF District for the payment of the principal of, premium, if any, and interest on the Bond.

2.03. This resolution shall be effective as of the date hereof.

Approved this 10th day of November, 2025, by the Board of Commissioners of the Columbia Heights Economic Development Authority.

President

ATTEST:

Secretary