

**COLUMBIA HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY
CITY OF COLUMBIA HEIGHTS
ANOKA COUNTY
STATE OF MINNESOTA**

RESOLUTION NO. 2025-19

**AUTHORIZING AN INTERFUND LOAN FOR ADVANCE OF FUNDS FROM TAX
INCREMENT FINANCING UNIVERSITY AVENUE REDEVELOPMENT DISTRICT (NO. C8)
FOR COSTS IN CONNECTION WITH THE CITY-WIDE SCATTERED SITE HOUSING TAX
INCREMENT FINANCING DISTRICT**

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

Section 1. Background.

1.01. Pursuant to Minnesota Statutes, Sections 469.174 through 469.1799, as amended, and predecessor statutes (the “TIF Act”), the City of Columbia Heights, Minnesota (the “City”) and the Housing and Redevelopment Authority in and for the City (the “HRA”) previously established Tax Increment Financing University Avenue Redevelopment District (No. C8) (“TIF District C8”) within a project area variously called the Downtown CBD Revitalization Project, the Central Business District Redevelopment Project, and the CBD Redevelopment Project (the “Project”).

1.02. By resolution approved January 8, 1996, the City transferred to the EDA the control, authority and operation of all projects then administered by the HRA.

1.03. Pursuant to the TIF Act, the City and the Authority also previously established the City-Wide Scattered Site Housing Tax Increment Financing District (“Scattered Site TIF District”) within the Project.

1.04. The Authority expects to incur certain costs related to the Scattered Site TIF District, which costs may be financed on a temporary basis from available Authority funds.

1.03. Under Section 469.178, Subdivision 7 of the TIF Act, the Authority is authorized to advance or loan money from any fund from which such advances may be legally made in order to finance expenditures that are eligible to be paid with tax increments under the TIF Act.

1.04. The Authority intends to establish a deferred loan for affordable housing redevelopment within the Project, including but not limited to property located at 4243 5th Street NE, Columbia Heights MN 55421, in the City (collectively, the “Property”), and intends to pay all or a portion of the costs of the deferred loan using tax increments from TIF District C8, up to the total balance of tax increments available in the fund or account for TIF District C8 (the “Balance”).

1.05. The Authority has designated the advance of funds for the deferred loan as an interfund loan (the “Interfund Loan” or “Loan”).

Section 2. Authorization of Use of Funds; Further Actions.

2.01. The Authority hereby authorizes use of the Balance from TIF District C8 as one of the legally available funding sources for the Interfund Loan.

2.02. The Authority authorizes the Loan in the amount of \$35,000, to be drawn from the account for TIF District C8. Such amount will be made available to the Authority at or before the disbursement of the deferred loan. The outstanding principal balance of the Loan bears interest at the rate of 5.0 percent per annum (which is the greater of the rates specified under Sections 270C.40 or 549.09 in accordance with Minnesota Statutes, Section 469.178, subdivision 7); provided, however, the Executive Director of the EDA is authorized to specify a lower rate. Interest accrues from the respective dates of each disbursement from the identified account in order to fund the deferred loan.

2.03. The Loan is payable from tax increments generated from the Scattered Site TIF District (if any), from any other tax increments legally available for such purposes, and from any other revenues available to the Authority. Principal and interest (“Payments”) shall be made at the times any revenue sources are available to make installment payments. The outstanding balance of principal and interest is due on the date of last receipt of tax increment from the Scattered Site TIF District or from any other tax increment district from which repayment of the Loan is made. Payments will be credited to the account from which the Loan was drawn. All payments shall be applied first to accrued interest, and then to unpaid principal of the Loan.

2.04. The Authority reserves the right to permanently allocate all or any portion of the Balance to the deferred loan and to amend the terms of the Interfund Loan at any time by resolution of the Authority’s Board of Commissioners, including a determination to forgive the outstanding principal amount and accrued interest to the extent permissible under law.

Section 3. Effective Date. This resolution is effective upon approval.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 4th day of August 2025

Offered by:
Seconded by:
Roll Call:

President

Attest:

Secretary