

RESOLUTION NO. 2026-18

A RESOLUTION APPROVING THE PURCHASE AGREEMENT BETWEEN THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, AND AA HOMES LLC, AND ESTABLISHING FUNDING PROCEDURES FOR THE PURCHASE AND DEMOLITION OF THE PROPERTIES

BE IT RESOLVED BY the Board of Commissioners ("Board") of the Columbia Heights Economic Development Authority (the "Authority") as follows:

SECTION 1. RECITALS.

1.01. The Authority and AA Homes LLC ("Seller") desire to enter into a purchase agreement (the "Purchase Agreement") pursuant to which the Authority will acquire certain properties in the City located at 4217 Central Avenue NE (the "Property") from the Seller for economic redevelopment purposes. The Property is described in Exhibit A attached hereto.

1.02. Pursuant to the Purchase Agreement, the Authority will purchase the Property from the Seller for a purchase price of \$225,000 plus related closing costs.

1.03. Pursuant to other project costs the Authority will budget \$80,000 for the demolition and grading of the property.

1.04. In accordance with the city's ACHRA participation, the Authority will receive a reimbursement from the City of Columbia Heights via the Anoka County HRA, for the purchase and demolition of the properties.

1.05. The Authority finds that acquisition of the Property is consistent with the City's Comprehensive Plan and will result in redevelopment of the substandard property located at 4217 Central Avenue NE. Such acquisition of these Properties, for subsequent resale, best meets the community's needs and will facilitate the economic redevelopment and revitalization of this area of the City.

1.06. The Authority also finds that this redevelopment project is consistent with the purpose of the Economic Development Authority Redevelopment Fund 408. The current 2026 budget for Economic Development Authority Redevelopment Fund 408 does not include this redevelopment project and must be amended as the property was not available on April 6, 2026, when the Authority amended this budget. The available balance of the Economic Development Authority Redevelopment Fund 408, beyond that committed for the existing 2026 budget, is approximately \$1.3 million, which is more than sufficient to fund the redevelopment project.

SECTION 2. PURCHASE AGREEMENT AND BUDGET AMENDMENT APPROVED.

2.01. The Authority hereby ratifies and approves the actions of Authority staff and of Kutak Rock ("Legal Counsel") in researching the Property and preparing and presenting the Purchase Agreement. The Authority approves the Purchase Agreement in the form presented to the Authority and on file at City Hall, subject to modifications that do not alter the substance of the transaction and that are approved by the President and Executive Director, provided that execution of the Purchase Agreement by those officials shall be conclusive evidence of their approval.

2.02. The Authority hereby amends the 2026 budget for Economic Development Authority Redevelopment Fund 408 to appropriate \$305,000 for the purchase of the Properties and additional estimated project costs.

2.03. The Authority hereby accepts all related transfers of Anoka County HRA grant funds from the City of Columbia Heights.

2.04. Authority staff and officials are authorized to take all actions necessary to perform the Authority's obligations under the Purchase Agreement as a whole, including without limitation execution of any documents to which the Authority is a party referenced in or attached to the Purchase Agreement, and any deed or other documents necessary to acquire the Property from the Seller, all as described in the Purchase Agreement

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Adopted this 1st day of June, 2026

Offered by:

Seconded by:

Roll Call:

President

Attest:

Secretary

EXHIBIT A

Legal Description of the Property

RESERVOIR HILLS, COLUMBIA HEIGHTS, ANOKA COUNTY, MINNESOTA LOT 29, BLK 3, RESERVOIR HILLS