

COLUMBIA HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. 2021-11

**RESOLUTION AUTHORIZING EXECUTION OF A TAX
INCREMENT PLEDGE AGREEMENT WITH THE CITY OF
COLUMBIA HEIGHTS RELATING TO TAXABLE GENERAL
OBLIGATION TEMPORARY TAX INCREMENT BONDS,
SERIES 2021A, TO BE ISSUED IN THE ESTIMATED
AGGREGATE PRINCIPAL AMOUNT OF \$6,000,000**

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. On the date hereof, the Board approved the establishment of the Alatus TIF District (the “TIF District”), a redevelopment district within Downtown Central Business Redevelopment Project (the “Redevelopment Project”) within the City, contingent upon the approval by the City Council of the City (the “City Council”) on June 14, 2021, 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.

1.02. Pursuant to the authority conferred by Section 469.178 of the TIF Act and Minnesota Statutes, Chapter 475, as amended, and a resolution to be adopted by the City Council on July 12, 2021, the City will issue its Taxable General Obligation Temporary Tax Increment Bonds, Series 2021A (the “Bonds”), in the estimated aggregate principal amount of \$6,000,000, 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 to be provided to Alatus LLC, a Minnesota limited liability company, for land acquisition costs, costs of demolition, and costs associated with reports, and Alatus LLC has agreed to pay the City’s financing and other related costs related to issuing the Bonds and making the loan.

1.03. There has been presented to the Board a Tax Increment Pledge Agreement (the “Pledge Agreement”) between the Authority and the City 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.

1. 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. 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 Bonds.

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

Approved this 7th day of June, 2021, by the Board of Commissioners of the Columbia Heights Economic Development Authority.

President

ATTEST:

Secretary