

COLUMBIA HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. 2021-08

**RESOLUTION APPROVING TERMINATION OF CONTRACT FOR PRIVATE
REDEVELOPMENT AND DECERTIFICATION OF CENTRAL VALU CENTER TAX
INCREMENT FINANCING DISTRICT**

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 City of Columbia Heights (the “City”) previously established the Central Valu Center Tax Increment Financing District (the “TIF District”), a redevelopment TIF District, within Downtown Central Business Redevelopment Project in the City and approved a Tax Increment Financing Plan (“TIF Plan”) for the TIF District. The TIF District is administered by the Authority.

1.02. Pursuant to the terms of the Contract for Private Redevelopment between the Authority and Hy-Vee, Inc. (the “Redeveloper”), dated October 24, 2016, as amended by a First Amendment thereto dated as of June 4, 2018 (as so amended, the “Agreement”), the Authority agreed to grant tax increment financing assistance to the Redeveloper in the form of a tax increment revenue note (the “TIF Note”) to reimburse the Redeveloper for certain Public Redevelopment Costs in connection with the construction of certain restaurant, retail, and office improvements (the “Minimum Improvements”) on certain property (the “Redevelopment Property”) within the TIF District. The Agreement provided that payments of principal and interest on the TIF Note would commence upon receipt by the Authority of tax increment from the Minimum Improvements to be constructed on the Redevelopment Property.

1.03. Despite an extension of the required dates of commencement and completion of construction of the Minimum Improvements, the Redeveloper has not commenced construction of the Minimum Improvements as of the date hereof, and has notified the Authority that Redeveloper will not construct the Minimum Improvements and has requested that the parties terminate the Agreement and decertify the TIF District.

1.04. The Authority agrees that decertification of the TIF District and termination of the Agreement are in the best interest of the Authority and City, because such actions will allow the creation of a new redevelopment tax increment financing district encompassing the Property in which a mixed-use housing and retail development is contemplated, thereby increasing housing options for City residents.

Section 2. TIF District Decertified; Agreement Terminated; Filing.

2.01. The Authority hereby approves decertification of the TIF District and termination

of the Agreement.

2.02. Authority staff is authorized and directed to transmit a copy of this Resolution to the Manager of Property Records and Taxation, as County Auditor, of Anoka County (the “County Auditor”) with instructions to decertify the TIF District as of the date hereof, it being the intent of the City and Authority that any tax increment derived from the TIF District and collected after the date hereof should be redistributed by the County Auditor to the taxing jurisdictions within the TIF District as described below.

2.03. The TIF District has not generated any tax increment as of the date hereof, but if any tax increment derived from the TIF District is generated and received by the Authority after the date hereof, Authority staff is directed to return such tax increment to the County Auditor for distribution to the taxing jurisdictions within the TIF District.

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

President

ATTEST:

Executive Director