

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION APPROVING THE LOAN OF A MINNESOTA INVESTMENT FUND GRANT TO ASV HOLDINGS, INC. AND THE EXECUTION OF RELATED DOCUMENTS**

WHEREAS, ASV Holdings, Inc., a Delaware corporation, or an affiliate thereof or entity related thereto (the “Borrower”), owns and operates a facility (the “Facility”) located at 840 Lily Lane in the City of Grand Rapids, Minnesota (the “City”); and

WHEREAS, the Borrower has requested financial assistance to help purchase machinery and equipment needed for the construction of an expansion to its Facility (the “Project”); and

WHEREAS, the Grand Rapids Economic Development Authority (the “Authority”) approved the submission of an application for a grant from the Minnesota Investment Fund Program administered by the Minnesota Department of Employment and Economic Development (“DEED”); and

WHEREAS, the Authority has entered into a Grant Contract Agreement (the “Grant Contract Agreement”) with DEED to obtain grant funds in the amount of \$ \$450,000 which will be loaned to the Borrower by the Authority (the “Loan”) pursuant to a Minnesota Investment Fund Loan Agreement (the “Loan Agreement”) proposed to be entered into between the Authority and the Borrower, which agreement includes a “business subsidy agreement” as defined in Minnesota Statutes, Sections 166J.993 to 116J.995, as amended (the “Business Subsidy Act”); and

WHEREAS, it is proposed that the Loan be considered forgivable provided that the Borrower complies with certain requirements of the business subsidy agreement contained in the Loan Agreement and the Grant Contract Agreement; and

WHEREAS, in the event the Borrower does not meet the job and wage goals set forth in the Loan Agreement, the Borrower will execute and deliver to the City a Promissory Note (the “Note”) providing a security interest in certain equipment for the benefit of the City, and such additional documents if required and deemed necessary by the Executive Director or the Minnesota Department of Employment and Economic Development to provide additional security for the Loan, including but not limited to, one or more guaranties, a security agreement or a mortgage (the “Additional Security Documents”).

WHEREAS, the Authority has had the opportunity to review the Loan Agreement; and

WHEREAS, pursuant to a resolution adopted on August 8, 2022, the City Council approved the Loan to be made to the Borrower pursuant to the Loan Agreement; and

WHEREAS, on this date hereof, the Authority conducted a duly noticed public hearing as required by Section 116J.994, subdivision 5 of the Business Subsidy Act on the proposed business subsidy.

NOW, THEREFORE, BE IT RESOLVED by the Grand Rapids Economic Development Authority that:

1. The Borrower has represented that with assistance it will locate the Project in the City and create new jobs in the City in connection therewith. The Authority hereby finds, determines and declares that

the Project is in the public interest because it will encourage the growth of commerce and industry, prevent the movement of current or future operations to locations outside Minnesota, result in increased employment in Minnesota and the City, and preserve or enhance the state and local tax base.

2 The Loan Agreement, including the business subsidy agreement provided therein are hereby in all respects approved, in substantially the forms prepared by DEED, together with any related documents necessary in connection therewith, (collectively, the “Loan Documents”) and the President and Executive Director are hereby authorized and directed to execute the Loan Documents on behalf of the Authority and to carry out, on behalf of the Authority, the Authority’s obligations thereunder. The President and Executive Director are hereby authorized and directed to execute any such Additional Security Documents as may be deemed necessary and appropriate and approved by legal counsel to the Authority and by the Executive Director.

3. The approval hereby given to the Loan Documents and the Additional Security Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the Authority and by the President and Executive Director prior to executing said documents; and said officers are hereby authorized to approve said changes on behalf of the Authority. The execution of any instrument by the President and Executive Director shall be conclusive evidence of the approval of such document in accordance with the terms hereof. In the event of absence or disability of said officers, any of the documents authorized by this Resolution to be executed may be executed without further act or authorization of the Board by any duly designated acting official, or by such other officer or officers of the Board as, in the opinion of the Authority Attorney, may act in their behalf.

4 Authority staff and consultants are authorized to undertake all necessary steps to implement this resolution.

Adopted by the Grand Rapids Economic Development Authority this 11<sup>th</sup> day of August, 2022.

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President

ATTEST:

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Executive Director