



Housing and Redevelopment Authority Meeting

January 8, 2026 at 7 p.m.
7071 University Avenue NE, 7071 University
Avenue NE

Agenda

Call to Order

Roll Call

Action Items

1. Approval of Expenditures
2. Approval of Minutes from HRA Meeting of December 4, 2025
3. Approval of Resolution No. 2026-01 Designating the Official Newspaper for 2026
4. Approval of Resolution No. 2026-02 Designating the Official Depositories for the Year 2026
5. Approval of Redevelopment Contract for TIF District #27

Informational Items

6. Update on Housing Programs

Adjournment

Accessibility Notice:

- If you need free interpretation or translation assistance, please contact City staff.
- Si necesita ayuda de interpretación o traducción gratis, comuníquese con el personal de la ciudad.
- Yog tias koj xav tau kev pab txhais lus los sis txhais ntaub ntawv dawb, ces thov tiv tauj rau Lub Nroog cove neeg ua hauj lwm.
- Haddii aad u baahan tahay tarjumaad bilaash ah ama kaalmo tarjumaad, fadlan la xiriir shaqaalaha Magaalada.

Upon request, accommodation will be provided to allow individuals with disabilities to participate in any City of Fridley services, programs or activities. Hearing impaired persons who need an interpreter or other persons who require auxiliary aids should contact CityClerk@FridleyMN.gov or (763) 572-3450.

AGENDA REPORT



Meeting Date: January 8, 2026
Meeting Type: Housing and Redevelopment Authority
Submitted By: Paul Bolin, Community Development Director
Stacy Stromberg, Assistant Community Development Director/HRA
Title: Approval of Expenditures

Background

Recommendation

Staff recommends the HRA approve the expenditures for the period of November 27, 2025 through December 31, 2025.

Attachments and Other Resources

1. HRA Bank Transaction Report 11-27 thru 12-31-25

Vision Statement

We believe Fridley will be a safe, vibrant, friendly, and stable home for families and businesses.



City of Fridley, MN

Bank Transaction Report

Transaction Detail

Issued Date Range: 11/27/2025 - 12/31/2025

Cleared Date Range: -

Date	Cleared Date	Module	Number	Description Status	Type	Amount
12/03/2025				MONROE MOXNESS BERG PA	Check	-6,142.50
12/03/2025				URBAN LAND INSTITUTE - ULI MINNESOTA	Check	-680.00
12/10/2025				CENTER FOR ENERGY & ENVIRONMENT (CEE)	Check	-106,192.88
12/10/2025				MONROE MOXNESS BERG PA	Check	-707.50
12/10/2025				NORTH STATE ADVISERS & ASSOCIATES	Check	-2,000.00
12/10/2025				NORTHLAND SECURITIES INC	Check	-7,498.00
12/10/2025				ROBERTSON, TARA	Check	-2,044.40
12/30/2025				BROOKLYN PARK, CITY OF	Check	-550.00
12/30/2025				CENTER FOR ENERGY & ENVIRONMENT (CEE)	Check	-17,617.50
12/30/2025				FRIDLEY, CITY OF	Check	-166,559.00
12/30/2025				GERSHGOREN, GRAHAM LEGENDER	Check	-500.00
12/30/2025				JONES, BLAINE	Check	-500.00
Bank Account Total: (12)						-310,991.78
Report Total: (12)						-310,991.78

Bank Transaction Report

Issued Date Range: - Summary

Cash Account	Count	Amount
		-310,991.78
		-310,991.78
099 099-101100 Cash in Bank - HRA Pooled Cash		-310,991.78
		-310,991.78
Transaction Type	Count	Amount
Check		-310,991.78
		-310,991.78

AGENDA REPORT



Meeting Date: January 8, 2026
Meeting Type: Housing and Redevelopment Authority
Submitted By: Julie Beberg, Office Coordinator
Title: Approval of Minutes from HRA Meeting of December 4, 2025

Background

Recommendation

Staff recommends the HRA approve the minutes from the December 4, 2025, meeting.

Attachments and Other Resources

1. HRA 12-04-2025

Vision Statement

We believe Fridley will be a safe, vibrant, friendly, and stable home for families and businesses.



Housing and Redevelopment Authority

December 4, 2025

7:00 PM

Fridley City Hall, 7071 University Avenue NE

Minutes

Call to Order

Chairperson Showalter called the Housing and Redevelopment Authority meeting to order at 7:00 p.m.

Present

Elizabeth Showalter
Gordon Backlund
Troy Brueggemeier
Frank Inamagua
Rachel Schwankl

Absent

Others Present

Tammy Omdal, Development Consultant
Joe Starks, Finance Director
Nancy Abts, Senior Planner
Stacy Stromberg, HRA Assistant Executive Director
Paul Bolin, HRA Executive Director

Action Items

1. Approval of Expenditures

Motion by Commissioner Brueggemeier to approve the expenditures. Seconded by Commissioner Backlund.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

2. Approval October 2, 2025, Meeting Minutes

Motion by Commissioner Inamagua to approve the meeting minutes of October 2, 2025, as presented. Seconded by Commissioner Schwankl.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

4. Approval of TIF District #27 Rivers Edge

Tammy Omdal, Development Consultant, stated that an application has been received from Endeavor Development for TIF assistance, which the HRA reviewed at its last work session. She presented additional information on the boundaries of TIF District 27, the condition of the project site, the TIF Plan for District 27, an analysis of the TIF request, and the terms for assistance to the developer. She provided additional details on the key steps in the TIF approval process.

Commissioner Backlund asked if there had been a review of the water level in this area. Evan Matson, Endeavor Development, replied that the water level is one of the primary reasons they are present, as the site currently has regional flooding. He stated that the redevelopment would help to alleviate the flooding issue. He provided additional details on the information gained through the geotechnical review, noting that the main issue occurs with rain events.

Commissioner Schwankl asked for more information on the tenant(s) that would be envisioned for the space. Mr. Matson provided information on the projects Endeavor has developed, or is developing, over the past five years, noting a variety of users and different-sized businesses. He provided external renderings, site plan, and character images.

Commissioner Brueggemeier commented that during the work session, an Amazon distribution center was mentioned as a possibility, and concerns arose because of the truck traffic that is generated from that type of facility, noting the City's experience with the Target distribution center. Mr. Matson commented that if that type of user wanted to come to this space, they would need to reorient the site, as this is designed for a smaller, local user.

Chair Showalter commented that she was pleased to see the 12-year TIF, as that was discussed during the work session.

Commissioner Inamagua asked for information on the project timeline. Mr. Matson replied that they would close on the property in January and reviewed the anticipated development timeline, noting that the tenant would begin to occupy the space in the fourth quarter of 2026 or the beginning of 2027.

Motion by Commissioner Brueggemeier to approve HRA Resolution No. 2025-10, Authorizing Modification of the Redevelopment Plan for Redevelopment Project No. 1 and the Tax Increment Financing Plans for Tax Increment Financing Districts Nos. 6, 11-13 and 17-26 to Reflect Increased Project Costs and Increased Bonding Authority within Redevelopment Project No. 1, Creating Tax Increment Financing District No. 27, and Adopting a Tax Increment Financing Plan Relating Thereto. Seconded by Commissioner Schwankl.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

3. Approval of 2026 Budget

Joe Starks, Finance Director, presented the proposed 2026 budget with additional details related to the general fund budget, expenditures, revenues, and other items of interest. He recommended approval of the HRA budget as presented.

Motion by Commissioner Inamagua to approve the 2026 HRA budget as presented. Seconded by Commissioner Schwankl.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

Informational Items

5. Homeowner Grant Program Update

Nancy Abts, Senior Planner, presented an update on the homeowner grant programs. She reviewed plans for 2026, including the open house planned for February 12, 2026.

Commissioner Brueggemeier thanked staff for the update, noting that it is nice to see the before and after pictures to see the benefit of the programs. He asked if funds remain in the program because of a lack of applications or whether the applications received have not been qualified. Ms. Abts replied that it is easy to plan for projects, but it can be more challenging for a homeowner to execute a project. She stated that people apply for the program in April or March, and sometimes things arise that prevent the project from being completed. She stated that over \$100,000 was requested, which exceeds the program balance of \$75,000. She noted that they do work with homeowners on extensions, and sometimes a homeowner withdraws and comes back the next year.

Commissioner Inamagua asked if there are common projects that are denied, and suggested that perhaps that list be shared with residents. Ms. Abts explained that the projects are intended to help beautify the community, whereas typical maintenance items could qualify for one of the loan programs. She noted that there is a list of qualifying beautification projects.

Commissioner Backlund asked about windows, noting that can save on energy use as well. Ms. Abts replied that Home Energy Squad visits are available for residents to learn about energy efficiency in their homes.

6. Update on Housing Programs

Stacy Stromberg, HRA Assistant Executive Director, provided an update on the November loan activity as well as year-to-date information on the loans and programs.

Adjournment

Motion by Commissioner Brueggemeier to adjourn the meeting. Seconded by Commissioner Backlund.

Upon a voice vote, all voting aye, Chairperson Showalter declared the motion carried, and the meeting adjourned at 7:46 p.m.

Respectfully submitted,

Paul Bolin, Staff Liaison

AGENDA REPORT



Meeting Date: January 8, 2026
Meeting Type: Housing and Redevelopment Authority
Submitted By: Paul Bolin, Community Development Director
Stacy Stromberg, Assistant Community Development Director/HRA
Title: Approval of Resolution No. 2026-01 Designating the Official Newspaper for 2026

Background

The City Charter Section 12.01 requires that the Housing and Redevelopment Authority (HRA) designate an official newspaper annually. The official newspaper is used for publishing public hearings and other legal notices.

Recommendation

Staff recommends the HRA approve Resolution No. 2026-01 designating the *Minneapolis Star Tribune* as the official newspaper for the HRA for 2026.

Attachments and Other Resources

1. Resolution No. 2026-01

Vision Statement

We believe Fridley will be a safe, vibrant, friendly, and stable home for families and businesses.

Resolution No. 2026-01

Designating an Official Newspaper for the City of Fridley's Housing and Redevelopment Authority for the year 2026

Whereas, the Charter of the City of Fridley requires in Section 12.01 that the Housing and Redevelopment Authority annually designates an official newspaper for use by the Housing and Redevelopment Authority.

Now, therefore be it resolved, that the *Minneapolis Star Tribune* is designated as the official newspaper for the Housing and Redevelopment Authority for the year 2026 for all publications required to be published.

Passed and adopted by the Housing and Redevelopment Authority in and for the City of Fridley this 8th day of January, 2026.

Elizabeth Showalter – Chairperson

Attest:

Paul Bolin – Executive Director

AGENDA REPORT



Meeting Date: January 8, 2026
Meeting Type: Housing and Redevelopment Authority
Submitted By: Paul Bolin, Community Development Director
Stacy Stromberg, Assistant Community Development Director/HRA
Title: Approval of Resolution No. 2026-02 Designating the Official Depositories for the Year 2026

Background

Each year, the Housing and Redevelopment is required to adopt a resolution designating official depositories. Similar to previous years, both Wells Fargo Bank Minnesota N.A. and UBS Financial Services, Inc. will be those official depositories for 2026.

Recommendation

Staff recommends approval of Resolution No. 2026-02, designating official depositories for the Housing and Redevelopment Authority.

Attachments and Other Resources

1. Resolution No. 2026-02

Vision Statement

We believe Fridley will be a safe, vibrant, friendly, and stable home for families and businesses.

Resolution No. 2026-02

Designating Official Depositories for the Housing & Redevelopment Authority

Whereas, I, Joe Starks, do hereby certify that I am the Finance Director-Treasurer of the Housing & Redevelopment Authority in and for the City of Fridley, a corporation organized under the laws of the State of Minnesota. I further certify that at a meeting of said corporation duly and properly called and held on the 8th day of January 2026, the following resolution was passed; that a quorum was present at said meeting; and that said resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

Now, therefore, be it resolved that Wells Fargo Bank Minnesota N.A. and UBS Financial Services, Inc. are hereby designated as depositories for the funds of this corporation.

Be it further resolved that checks, drafts or other withdrawal orders issued against the funds of this corporation on deposit with said bank shall be signed by any of the following individuals:

Paul Bolin, Executive Director
Joe Starks, Finance Director
Shannon Veeraboina, Assistant Finance Director

and that said banks are hereby fully authorized to pay and charge to the account of this corporation any checks, drafts, or other withdrawal orders.

Be it further resolved that Wells Fargo Banks and UBS Financial Services as the designated depositories of the corporation are hereby requested, authorized and directed to honor checks, drafts or other orders for the payment of money drawn in this corporation's name, including those drawn to the individual order of any person or persons whose name or names appear thereon as signer or signers thereof, when bearing or purporting to bear the facsimile signatures of the following individuals:

Paul Bolin, Executive Director
Joe Starks, Finance Director
Shannon Veeraboina, Assistant Finance Director

Be it further resolved that any and all resolutions heretofore adopted by the Housing & Redevelopment Authority of the corporation and certified to as governing the operation of this corporation's account(s) with it, be and are hereby continued in full force and effect, except as the same may be supplemented or modified by the foregoing part of this resolution.

Be it further resolved that all transactions, if any relating to deposits, withdrawals, re-discounts and borrowings by or on behalf of the corporation with said bank prior to the adoption of this resolution be, and the same hereby are, in all things ratified, approved and confirmed.

Be it further resolved that any bank or savings and loan may be used as depositories for investment purposes so long as the investments comply with authorized investments as set forth in Minnesota Statutes.

Be it further resolved that the signatures of the following two named City/HRA employees are required for withdrawal of Housing & Redevelopment Authority investment funds from savings and loan associations:

Paul Bolin, Executive Director _____

Joe Starks, Finance Director _____

Shannon Veeraboina, Assistant Finance Director _____

Be it further resolved that any brokerage firm may be used as a vendor for investment purposes so long as the investments comply with the authorized investments as set forth in Minnesota Statutes.

I further certify that the Board of this corporation has, and at the time of adoption of said resolution, had full power and lawful authority to adopt the foregoing resolutions and to confer the powers therein granted to the persons named who have full power and lawful authority to exercise the same.

Passed and adopted by the Housing & Redevelopment Authority in and for the City of Fridley this 8th day of January, 2026.

Elizabeth Showalter - Chairperson

Attest:

Paul Bolin - Executive Director

AGENDA REPORT



Meeting Date: January 8, 2026
Meeting Type: Housing and Redevelopment Authority
Submitted By: Paul Bolin, Community Development Director
Stacy Stromberg, Assistant Community Development Director/HRA
Title: Approval of Redevelopment Contract for TIF District #27

Background

On December 4th the Authority recommended approval of the creation of TIF District #27 to assist with the extraordinary costs associated with the redevelopment of the property at 7350 Commerce Lane. The City Council held a Public Hearing on December 22, 2025 and formally approved the creation of the TIF District.

Attached to this memorandum is the Redevelopment Contract, laying out the terms of the TIF assistance to be provided for the project. The contract spells out the responsibilities of the developer and the obligation of the Authority to issue a TIF note upon completion of the project.

Recommendation

Staff recommend the Authority adopt Resolution No. 2026-03.

Attachments and Other Resources

1. Contract for Private Redevelopment (Fridley- River Edge TIF 27)
2. Resolution No. 2026-03

Vision Statement

We believe Fridley will be a safe, vibrant, friendly, and stable home for families and businesses.

DRAFT: December 31, 2025

CONTRACT

FOR

PRIVATE REDEVELOPMENT

By and Between the

HOUSING AND REDEVELOPMENT AUTHORITY

In and For

THE CITY OF FRIDLEY, MINNESOTA

And

River Edge BC Owner, LP

This document was drafted by:

**Vickie Loher-Johnson, Esq.
Monroe Moxness Berg PA
7760 France Avenue South
Suite 700
Minneapolis, MN 55435
952-885-5999**

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CONTRACT FOR PRIVATE REDEVELOPMENT

THIS AGREEMENT, made on or as of the ___ day of _____, 2025 by and between the **Housing and Redevelopment Authority in and for the City of Fridley, Minnesota**, a political subdivision of the State of Minnesota organized under the Constitution and laws of the State of Minnesota (the "Authority"), and **River Edge BC Owner, LP**, a limited partnership organized under the laws of the State of Delaware (the "Redeveloper"),

WITNESSETH:

WHEREAS, the Board of Commissioners (the "Board") of the Authority has determined that there is a need for development and redevelopment within the corporate limits of the City to provide employment opportunities; to provide adequate housing in the City, including low and moderate income housing, housing for the elderly and workforce housing; to improve the tax base; and to improve the general economy of the City and the State of Minnesota;

WHEREAS, in furtherance of these objectives, the Authority has adopted, pursuant to Minnesota Statutes, Sections 469.001 *et seq.* (the "Act"), a development program known as the Modified Redevelopment Plan (the "Redevelopment Plan") and established Redevelopment Project No. 1 (the "Project Area") in the City to encourage and provide maximum opportunity for private development and redevelopment of certain property in the City which is not now in its highest and best use;

WHEREAS, in connection with the Project Area, Tax Increment Financing District No. 27 (the "Tax Increment District") has been approved by the Authority and forwarded to the City along with the Tax Increment Financing Plan, which Tax Increment Financing Plan is to be certified by Anoka County and filed with the State, pursuant to the Minnesota Tax Increment Financing Act contained in Minnesota Statutes, Sections 469.174 to 469.1799;

WHEREAS, major objectives in establishing the Project Area are to:

1. Promote and secure the development and redevelopment of property in the Project Area in a manner consistent with the City's planning, and with a minimal adverse impact on the environment, which property is less productive because of the lack of proper utilization and lack of investment, and thereby promoting and securing the development of other land in the City;

2. Promote and secure additional employment opportunities within the Project Area and the City for residents of the City and the surrounding area, thereby improving living standards, reducing unemployment and preventing the loss of skilled and unskilled labor and other human resources in the City;

3. Secure the increase in value of commercial/industrial property subject to taxation by the City, School Districts, County, and any other taxing jurisdictions in order to better enable such entities to pay for public improvements and governmental services and programs required to be provided by them;
4. Secure the construction of and provide monies for the payment of the cost of public improvements in the Project Area, which are necessary for the completion of the Redevelopment Project and the orderly and beneficial development of the Project Area;
5. Promote a compatible mix of commercial and industrial, institutional, and residential land uses;
6. Encourage the expansion and improvement of local business, and enhancing the economic vitality of existing and new businesses;
7. Eliminate blighting influences that impede development in the area;
8. Provide for adequate streets, utilities, and other public improvements and facilities to enhance the area for both new and existing development;
9. Create a desirable and unique character within the Project Area through quality land use alternatives and design quality in new buildings that create a safe environment for pedestrians, which can be maintained for the long run;
10. Support the physical connection to local trails, open space, and other community institutions;
11. Enhance the integrity of residential neighborhoods adjacent to the Project Area;
12. Intentionally omitted; and,
13. Enhance the long term viability of the Project Area by facilitating:
 - a. Land uses that complement and support existing businesses;
 - b. New businesses that enhance the commercial market;
 - c. Visual quality of the streetscape, landscape, site plan and building types of new developments;
 - d. Mixed use housing development where appropriate; and
 - e. Safe access and convenient parking; and,

WHEREAS, in order to achieve the objectives of the Authority and City in creating the Project Area and adopting the Redevelopment Plan, the Authority is prepared to provide financial and other assistance to the Redeveloper in accordance with this Agreement; and

WHEREAS, the Authority believes that the development and redevelopment of the Redevelopment Property pursuant to this Agreement, and fulfillment generally of the terms of this Agreement, are in the vital and best interests of the Authority and the health, safety, morals and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state and local laws under which the development and redevelopment are being undertaken and assisted.

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I

Definitions

Section 1.1. Definitions. In this Agreement, unless a different meaning clearly appears from the context:

"Act" means Minnesota Statutes, Section 469.001 et seq, as amended and supplemented from time to time.

"Agreement" means this Agreement, as the same may be from time to time modified, amended, or supplemented.

"Authority" means the Housing and Redevelopment Authority in and for the City of Fridley, Minnesota.

"Available Tax Increment" means 90% of the Tax Increment from the Tax Increment District.

"Certificate of Completion" means the certification, in the form of the certificate contained in Schedule F attached to and made a part of this Agreement, provided to the Redeveloper, pursuant to Section 4.4 of this Agreement.

"City" means the City of Fridley, Minnesota.

"Construction Plans" means the plans, specifications, drawings and related documents on the construction work to be performed by the Redeveloper on the Redevelopment Property which (a) shall be as detailed as the plans, specifications, drawings and related documents which are submitted to the building inspector or the City, and (b) shall include at least the following for each building: (1) site plan; (2) foundation plan; (3) floor plan for each floor; (4) cross sections of each (length and width); (5) elevations (all sides, except as to a side of an existing structure where no construction is to take place); (6) facade and landscape plan; and (7) such other plans of supplements to the foregoing plans as the City may reasonably request.

"Council" means the Council of the City.

"County" means the County of Anoka, Minnesota.

"County Assessor" means the County Assessor as and for the County of Anoka, Minnesota.

"Declaration of Restrictive Covenants and Prohibition Against Tax Exemption" means those restrictive covenants substantially in the form of Schedule G attached to this Agreement.

“Eligible Costs” means the costs of the Public Improvements, the Site Improvements and the Relocation Costs, to the extent the same are eligible for payment under the Tax Increment Act. Interest paid to lenders for the financing of Eligible Costs is an Eligible Cost.

“Event of Default” means an action by the Redeveloper described in Section 7.1 of this Agreement, or as otherwise set forth in this Agreement.

"Minimum Improvements" means the approximately 250,000 square foot warehouse building and related improvements to be constructed by the Redeveloper on the Redevelopment Property as shown on the Site Plan, including approximately 147 surface parking stalls and stormwater ponding (collectively the “Minimum Improvements”).

“Minnesota Environmental Policy Act” means the statutes located at Minnesota Statutes, Sections 116D.01, et. seq., as amended.

“Minnesota Environmental Rights Act” means the statutes located at Minnesota Statutes, Sections 116B.01, et. seq., as amended.

“MPCA” means the Minnesota Pollution Control Agency.

“National Environmental Policy Act” means the federal law located at 42 U.S.C. Sub. Sect. 4331 et. seq., as amended.

"Note" means the Limited Revenue Tax Increment Note substantially in the form of Schedule E attached to this Agreement, and to be made by the Authority payable to the order of the Redeveloper or its permitted assigns in accordance with the terms of this Agreement.

“Party” means a party to this Agreement.

“Parties” means the parties to this Agreement.

“Project” means the Redevelopment Property, the Public Improvements and the Minimum Improvements.

"Project Area" means Redevelopment Project No. 1, as amended, as established in accordance with the Act.

“Public Improvements” means the public improvements to be performed or constructed by the Redeveloper on or adjacent to the Redevelopment Property and described on Schedule D to attached to this Agreement.

"Redeveloper" means River Edge BC Owner, LP, a limited partnership organized under the laws of the State of Delaware and its permitted successors and assigns.

"Redevelopment Plan" means the modified redevelopment plan adopted by the Authority for its Redevelopment Project No. 1, as amended.

"Redevelopment Project" means the Redevelopment Property and the Minimum Improvements.

"Redevelopment Property" means the real property described in Schedule A of this Agreement.

"Relocation Costs" means the cost of relocation services, benefits, and other costs to which owners, tenants, or others have claimed and are legally entitled to in accordance with State and Federal laws arising from the acquisition and redevelopment of the Redevelopment Property.

"School Districts" means Independent School District No. 14 and Independent School District No. 16.

"Site Improvements" means those improvements described on Schedule C attached to this Agreement as qualified improvements of the Redevelopment Property.

"Site Plans" means the plans attached hereto in Schedule B showing the proposed nature and location of the Minimum Improvements.

"State" means the State of Minnesota.

"Tax Increment" means only that portion of the real estate taxes paid with respect to the Redevelopment Property which is remitted to the Authority by the County as tax increment from the Tax Increment District pursuant to the Tax Increment Act.

"Tax Increment Act" means the Tax Increment Financing Act, Minnesota Statutes, Sections 469.174 to 469.1799, as amended and as it may be amended.

"Tax Increment District" means Tax Increment Financing District No. 27 which is located within the Project Area and has been approved by the Authority and forwarded to the City along with the Tax Increment Plan which is to be certified by the County and filed with the State.

"Tax Increment Plan" means the tax increment financing plan adopted by the Authority for its Tax Increment Financing District No. 27.

"Termination Date" means the date defined in Section 9.9 of this Agreement.

"Unavoidable Delay" means a delay in the performance of a Party's obligations hereunder, which is outside of the control of the party claiming its occurrence and which delay is the direct result of: (i) strikes or other labor troubles; (ii) unforeseeable and

unavoidable casualties to the Redevelopment Property, the Project, or the equipment used to construct the Redevelopment Project; (iii) governmental action; (iv) judicial action commenced by third parties; (v) citizen opposition or action affecting this Agreement; (vi) the implementation of an environmental agency-approved work plan for remediation; (vii) severe weather which prevents or delays construction of Minimum Improvements; (viii) act of God; (ix) fire or other casualty to the Project; (x) site conditions being materially different from those revealed in any report or test provided to or obtained by the Redeveloper; or (xi) any other delay beyond the reasonable control of a Party, including, but not limited to, delay caused directly or indirectly by pandemic. A Party claiming an Unavoidable Delay shall provide written notice to the other Party within ten (10) days of an incident asserted to be the cause of an Unavoidable Delay.

ARTICLE II

Representations and Warranties

Section 2.1. Representations and Covenants by the Authority. The Authority makes the following representations as the basis for the undertaking on its part herein contained:

(a) The Authority is a public body duly organized and existing under the laws of the State. Under the provisions of the Act, the Authority has the power to enter into this Agreement and carry out its obligations hereunder. This Agreement has been or will be duly authorized by all necessary action on the part of the Authority and has been duly executed and delivered by the Authority. The Authority's execution, delivery and performance of this Agreement will not conflict with or result in a violation of any judgment, order, or decree of any court or government agency. This Agreement is a valid and binding obligation of the Authority and is enforceable against the Authority in accordance with its terms. There is no action, litigation, condemnation or proceeding of any kind pending or, to the best of the Authority's knowledge, threatened which would have a material and adverse effect on the ability of the Authority to perform its obligations under this Agreement or against the Redevelopment Property, or any portion thereof.

(b) The Authority has approved the Redevelopment Plan in accordance with the terms of the Act.

(c) The Authority has approved the Tax Increment District pursuant to the Tax Increment Act.

(d) The Authority proposes to assist the Redeveloper with the Eligible Costs in accordance with the Tax Increment Plan, Redevelopment Plan and this Agreement.

(e) The Authority proposes to make the Note payable to the Redeveloper in accordance with the provisions of this Agreement and to pledge Tax Increment generated by the Tax Increment District to the payment of the Note according to its terms.

(f) The Authority will cooperate with the Redeveloper with respect to any litigation commenced by third parties in connection with this Agreement.

(g) The Authority makes no representation, guarantee, or warranty, either express or implied, and hereby assumes no responsibility or liability as to the Redevelopment Property or its condition (regarding soils, pollutants, hazardous wastes or otherwise).

Section 2.2. Representations, Warranties and Covenants by the Redeveloper.
The Redeveloper represents and warrants that:

(a) The Redeveloper is a limited partnership organized and existing under the laws of the State of Delaware, is authorized to transact business in the State, and has duly authorized the execution of this Agreement and the performance of its obligations under this Agreement. None of the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement, or the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with the terms of any indebtedness, agreement or instrument of whatever nature to which the Redeveloper is now a party or by which it is bound.

(b) The Redeveloper will purchase the Redevelopment Property and the Redeveloper will demolish the building located thereon as of the effective date of this Agreement. The Redeveloper will thereafter construct, preserve, maintain and keep the Public Improvements and the Minimum Improvements in good repair and condition and in accordance with the terms of this Agreement, the Redevelopment Plan, and all applicable local, State and Federal laws and regulations (including, but not limited to, environmental, zoning, building code and public health laws and regulations).

(c) As of the date of execution of this Agreement, the Redeveloper has received no notice or communication from any local, state or federal official that the anticipated activities of the Redeveloper with respect to the Redevelopment Property or the Project may be or will be in violation of any environmental law or regulation.

(d) As of the date of execution of this Agreement, the Redeveloper is not aware of any facts which would give any person a valid claim under the Minnesota Environmental Rights Act.

(e) The Redeveloper will use commercially reasonable efforts to obtain, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state and federal laws and regulations which must be obtained or met before the Public Improvements and the Minimum Improvements may be lawfully constructed.

(f) The Redeveloper shall pay the normal and customary City fees and expenses for the approval and construction of the Project including, but not limited to, bonding requirements, building permit fees, sewer accessibility charges (SAC), water accessibility charges (WAC) and park dedication fees.

(g) The Authority has provided to the Redeveloper, and the Redeveloper hereby acknowledges receipt of, a copy of Minnesota Statutes, Section 116J.993 to 116J.995 (the "Business Subsidies Act"). The Redeveloper will comply with all applicable reporting requirements and other provisions of the Business Subsidies Act, as the same may be amended from time to time. The Redeveloper hereby acknowledges that failure on the part of the Redeveloper to comply with the reporting

requirements of the Business Subsidies Act is an Event of Default and, in addition, may result in the imposition of a penalty. The Redeveloper additionally acknowledges that the Business Subsidy Act currently allows for a penalty of up to \$1,000.00 for a recipient's failure to meet reporting requirements.

(h) The Redeveloper's investment in the purchase of the Redevelopment Property and in site preparation is 70% or more of the County Assessor's 2025 estimated market value of the Redevelopment Property, and that the Redeveloper will, as a prerequisite for the issuance of the Note, provide sufficient documentation to the Authority that the Project meets the criteria of Minnesota Statutes, Section 116J.993, Subd. 3(17).

(i) The Redeveloper agrees that it will cooperate with the Authority and except for any willful misrepresentation or any willful or wanton misconduct of the Authority, shall indemnify the Authority against all costs, including the costs of defense incurred by the Authority, with respect to any litigation commenced by third parties in connection with this Agreement, including, but not limited to claims: (i) made against the Authority and associated with the formation and validity of the Tax Increment District; and (ii) made against the Authority for Relocation Costs, provided, that this indemnification shall not apply to the warranties made or obligations undertaken by the Authority in this Agreement or to any actions undertaken by the Authority which are not contemplated by this Agreement

(j) The financing arrangements which the Redeveloper has obtained or will obtain to finance the acquisition of the Redevelopment Property and the construction of the Public Improvements and the Minimum Improvements, together with the tax increment financing to be provided by the Authority pursuant to this Agreement, will be sufficient to enable the Redeveloper to successfully complete the Public Improvements and the Minimum Improvements as contemplated in this Agreement.

(k) Once acquired by the Redeveloper, the Redevelopment Property will not become exempt from the levy of ad valorem property taxes, or any statutorily authorized alternative, and any improvements of any kind constructed on the Redevelopment Property will similarly not become exempt before December 31, 2039.

(l) The construction of the Minimum Improvements, in the opinion of the Redeveloper, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future without the use of tax increment financing to be provided by the Authority pursuant to this Agreement.

(m) For the construction of the Minimum Improvements and the Public Improvements, the Redeveloper shall pay wages in accordance with the prevailing wage rate as that term is defined in Minnesota Statutes, Section 177.42, Subd. 6 and in City Resolution No. 25-2090. The Redeveloper shall comply with any documentation requests received from the Public Works Department of the City with regard to its monitoring of Redeveloper's compliance with this requirement.

(n) The Redeveloper shall not allow any use or occupancy of the Redevelopment Property or Minimum Improvements by a "Sexually Orientated Business" as defined in Ordinance No. 965 of the City's Code.

(o) The Redeveloper agrees, notwithstanding the provisions of Article VI, that it will not assign, convey or lease (except as set forth in the next sentence) any interest of the Redevelopment Property or any portion thereof, or this Agreement or any portion thereof, to any tax-exempt entity under the U.S. Internal Revenue Code of 1986, as the same may be amended from time to time, without the prior written approval of the Authority. A lease of an interest or portion of the Redevelopment Property shall not be prohibited by this subparagraph unless it results in an exemption of the Redevelopment Property from ad valorem property taxes pursuant to subparagraph (k) above.

(p) If valid claims for Relocation Costs arise as a result of the Redevelopment Project, the Redeveloper will pay all Relocation Costs and/or obtain executed written relocation waivers, in a form satisfactory to the Authority, whereby the signatory waives all claims regarding Relocation Costs. Redeveloper will reimburse the Authority for Relocation Costs paid by the Authority. Any Relocation Costs paid by the Redeveloper (either directly to a claimant or via reimbursement to the Authority) are reimbursable Eligible Costs. Without limiting the Redeveloper's obligations under Section 6 of this Agreement, the Redeveloper will indemnify, defend and hold harmless the Authority, the City, and their governing body members, employees, agents, and contractors from any and all claims for benefits or payments arising out of the relocation or displacement of any person from the Redevelopment Property as a result of the implementation of this Agreement. The costs associated with such indemnification shall at all times be excluded from the definition of Eligible Costs. The indemnification requirement set forth herein shall survive the expiration or termination of this Agreement. Nothing in this Agreement is an acknowledgment by the Redeveloper or the Authority that any Relocation Costs may be rightly claimed or due under applicable law. Redeveloper represents and warrants to the Authority that the improvements currently located on the Redevelopment Property are vacant and have been vacant since October of 2024, and that Redeveloper is acquiring the Redevelopment Property free and clear of all tenancies and claims of tenancies.

ARTICLE III

Undertakings of Redeveloper and Authority

Section 3.1. Plat; Covenants; Easements. The Redeveloper at its expense shall administratively combine the Redevelopment Property as necessary. The Redeveloper shall pay all costs for plats, replats, lot splits, lot combination, preparation of restrictive covenants, easements and any other documentation necessary for the construction and financing of the Minimum Improvements and all costs of recording any such documents.

Section 3.2. Declaration of Restrictive Covenants and Prohibition Against Tax Exemption. The Redeveloper shall execute the Declaration of Restrictive Covenants and Prohibition Against Tax Exemption in the form attached as Schedule G with regard to the Redevelopment Property, and cause the same to be recorded immediately after the recordation of the deed vesting ownership in Redeveloper in the Redevelopment Property and prior to the recordation of any other documents against the Redevelopment Property, including but not limited to any financing documents recorded against the Redevelopment Property.

Section 3.3. Construction Plans. The Redeveloper shall submit the Construction Plans for approval and obtain the approval of the Authority, the City and any other appropriate governmental authorities.

Section 3.4 Intentionally Omitted.

Section 3.5. Construction of Site Improvements, Minimum Improvements and Public Improvements. The Redeveloper shall construct or cause to be constructed the Site Improvements, Minimum Improvements and the Public Improvements on the Redevelopment Property in accordance with the terms of this Agreement and the Construction Plans.

Section 3.6. Environmental Undertakings.

(a) Intentionally omitted.

(b) The Redeveloper acknowledges that the Authority makes no representations or warranties as to soil and environmental conditions on the Redevelopment Property or the fitness of the Redevelopment Property for construction of the Minimum Improvements or any other purpose for which the Redeveloper may make use of such property, and that the assistance provided to the Redeveloper under this Agreement neither implies any responsibility by the Authority or the City for any contamination of the Redevelopment Property or poor soil conditions nor imposes any obligation on the Authority or the City to participate in any cleanup of the Redevelopment Property and or correction of any soil problems (other than the Authority providing the tax increment financing described in this Agreement).

(c) Without limiting its obligations under Section 9.10 of this Agreement, the Redeveloper further agrees that except for any willful misrepresentation or any willful or wanton misconduct of the Authority, the City, and their governing body members, officers, and employees (the “Indemnified Parties”) it will indemnify, defend, and hold harmless the Indemnified Parties from any claims or actions arising out of the presence, if any, of hazardous wastes or pollutants existing on or in the Redevelopment Property. Nothing in this section will be construed to limit or affect any limitations on liability of the City or Authority under State or federal law, including without limitation Minnesota Statutes Sections 466.04 and 604.02.

Section 3.7. Issuance of Note.

(a) In order to reimburse the Redeveloper for Eligible Costs, following the issuance of the Certificate of Completion pursuant to Section 4.4 of this Agreement, and following compliance of the Redeveloper with the terms and conditions of this Agreement, the Authority shall issue the Note. The terms of the Note, including maturity and payment dates, will be substantially those set forth in the form of the Note shown in Schedule E and as further described in this Section. The Note will be dated as of the date of delivery of the Note. No interest shall accrue on the Note.

(b) Before issuance and delivery of the Note, Redeveloper must have: (i) requested and received from the Authority the Certificate of Completion in accordance with the requirements of Section 4.4 of this Agreement; (ii) submitted to the Authority documentation acceptable to the Authority that requirements of Minnesota Statutes, Section 116J.993, Subd. 3(17) have been met, including, but not limited to providing to the Authority documentation that the Redeveloper’s investment in the purchase of the Redevelopment Property and in site preparation is 70% or more of the County Assessor’s 2025 estimated market value of the Redevelopment Property (the “Business Subsidy Exception Documentation”); and (iii) submitted to the Authority a certificate, signed by the Redeveloper’s duly authorized representative, containing the following statements and documentation: (A) an itemization of each expense Redeveloper has incurred for an Eligible Cost associated with the Project; (B) a statement that each cost identified in the certificate is an Eligible Cost, incurred after the date of this Agreement; (C) evidence that each Eligible Cost identified on the certificate has been paid or incurred by or on behalf of the Redeveloper and including copies of paid, detailed invoices evidencing same; (D) a statement that no uncured Event of Default by the Redeveloper has occurred and is continuing under the Agreement; and (E) a statement that the Redeveloper has not received grant(s) from any source for the payment of any of the cost(s) identified on the certificate (the “Certificate”). Should grant(s) have been received for items which would otherwise be considered Eligible Costs, the principal amount of the Note shall be adjusted downward accordingly. The Authority may, if not satisfied that the conditions described herein have been met, request in writing revisions and/or supplemental information from the Redeveloper, which request shall include a statement of the reasons why the requested documentation and/or certificate is not acceptable to the Authority and shall set forth such further documentation or clarification or revisions to the Certificate as the Authority may reasonably require. The Authority

will deliver the Note following the issuance of the Certificate of Completion, and upon receipt by the Authority of the following: Business Subsidy Exception Documentation that complies with Minnesota Statutes, Section 116J.993, Subd. 3 (17) and with this Agreement; and the final Certificate, approved by the Authority and executed by the Redeveloper, evidencing the relevant Eligible Costs, less the adjustment(s) described in this Section, which Certificate shall provide evidence of Eligible Costs in at least the principal amount of the Note.

(c) The Redeveloper understands and acknowledges that the Authority makes no representations or warranties regarding the amount of Available Tax Increment, or that revenues pledged to the Note will be sufficient to pay the principal amount of the Note. Any estimates of Tax Increment prepared by the Authority or its financial advisors in connection with the TIF District or this Agreement are for the benefit of the Authority, and are not intended as representations on which the Redeveloper may rely. If the Eligible Costs exceed the principal amount of the Note, such excess costs are the sole responsibility of Redeveloper.

(d) In addition to the limitations above, the following limitations shall apply to the issuance of the Note:

(i) Only Available Tax Increment shall be pledged.

(ii) The term of any Note may not extend more than 32 days beyond the duration of the Tax Increment District.

(iii) Any amounts unpaid at the maturity date shall be deemed paid in full.

(iv) Items which would otherwise qualify as Eligible Costs, where the Redeveloper was paid by grants from any source, are not to be included in the calculation of the principal amount of the Note.

(v) The Note will not bear interest.

(vi) The principal amount of the Note shall be the certified Eligible Costs less the estimated market value of the land only (not existing building) of the Redevelopment Property as determined by the County Assessor on January 1, 2025, but the principal amount of the Note shall not exceed \$4,232,000.00.

(vii) The Authority will not issue bonds to prepay the Note.

(viii) The Certificate of Completion shall have been issued.

Section 3.8. Business Subsidy Provisions.

(a) The Redeveloper represents and warrants to the Authority that the assistance provided to Redeveloper in this Agreement (including the issuance of the Note) does not constitute a "business subsidy" under the Business Subsidy Act, since the Redeveloper's investment in the purchase of the Redevelopment Property and in site preparation is 70% or more of the County Assessor's 2025 estimated market value of the Redevelopment Property.

(b) The Redeveloper will comply with all required reporting requirements of the Business Subsidy Act.

Section 3.9. Intentionally Omitted.

ARTICLE IV

Construction of Minimum Improvements

Section 4.1. Construction of Minimum Improvements. Subject to the limitations set forth herein, the Redeveloper agrees that it will construct the Minimum Improvements on the Redevelopment Property in accordance with the Construction Plans approved by the City and the Site Plan.

Section 4.2. Commencement and Completion of Construction. The Redeveloper agrees that, subject to any Unavoidable Delay, it shall commence construction of the Minimum Improvements by April 1, 2026, and it shall achieve substantial completion of the construction of the Minimum Improvements by approximately October 1, 2027. All work with respect to the Minimum Improvements to be constructed or provided by Redeveloper on the Redevelopment Property shall be in conformity with the Construction Plans and the Site Plan.

The Redeveloper agrees for itself, its successors and assigns, and every successor in interest to the Redevelopment Property, or any part thereof, that the Redeveloper, and such successors and assigns, shall, subject to the limitations set forth in Section 4.1, diligently prosecute to completion the development of the Redevelopment Property through the construction of the Minimum Improvements thereon, and that such construction is anticipated to be completed within the period specified in this Section 4.2 of this Agreement.

Section 4.3. Construction Plans.

(a) Intentionally omitted.

(b) Construction Plans. Prior to the Redeveloper's commencement of construction of the Minimum Improvements, the Redeveloper shall submit Construction Plans to the City for City approval. The Construction Plans shall provide for the construction of the Minimum Improvements and shall be in conformity in all material respects with this Agreement, and all applicable state and local laws and regulations.

No approval by the Authority shall be deemed to relieve the Redeveloper of the obligation to comply with the terms of this Agreement and applicable federal, State and local laws, ordinances, rules and regulations, or to construct the Minimum Improvements in accordance therewith. No approval by the Authority shall constitute a waiver of any Event of Default.

(c) Changes. If the Redeveloper desires to make any material change in the Construction Plans after their approval by the Authority, then the Redeveloper shall submit the proposed change to the Authority for its approval. If the Construction Plans, as modified by the proposed change, conform to the requirements of this Section with respect to such previously approved Plans, the Authority shall approve the proposed

change and notify the Redeveloper in writing of its approval. Such change in the Construction Plans shall, in any event, be deemed approved by the Authority unless rejected in writing by the Authority, in whole or in part, within twenty (20) days after receipt of the notice of such change, setting forth in detail the reasons therefor.

Section 4.4. Certificate of Completion.

(a) After substantial completion of the Minimum Improvements and the Public Improvements in accordance with the terms and conditions of this Agreement, and following delivery of a written request from Redeveloper to the Authority, which request shall contain documentation of such substantial completion, the Authority will furnish the Redeveloper with a Certificate of Completion associated with those improvements. Such certification by the Authority shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement with respect to the obligations of the Redeveloper, and its successors and assigns, to construct the Minimum Improvements and the Public Improvements.

(b) If the Authority shall refuse or fail to provide any certification in accordance with the provisions of this Section 4.4 of this Agreement, the Authority shall, within ten (10) days after written request by the Redeveloper, provide the Redeveloper with a written statement, indicating in adequate detail in what respects the Redeveloper has failed to complete the Minimum Improvements or Public Improvements in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Authority, for the Redeveloper to take or perform in order to obtain such certification.

(c) The construction of the Minimum Improvements shall be deemed to be substantially completed when the Redeveloper has received the Certificate of Occupancy from the City's building inspector.

(d) The construction of the Public Improvements shall be deemed to be completed in accordance with the Redeveloper's obligations hereunder when the City has accepted the Public Improvements in writing.

ARTICLE V

Insurance

Section 5.1. Redeveloper Insurance.

(a) The Redeveloper will provide and maintain or cause to be maintained at all times during the process of constructing the Minimum Improvements and, from time to time at the request of the Authority, furnish the Authority with proof of payment of premiums on:

(i) Builder's risk insurance, written on the so-called "Builder's Risk – Completed Value Basis," in an amount equal to one hundred percent (100%) of the insurable value of the Minimum Improvements at the date of completion and with coverage available in non-reporting form on the so-called "all risk" form of policy. The interest of the Authority shall be protected in accordance with a clause in form and content reasonably satisfactory to the Authority;

(ii) Comprehensive general liability insurance together with an Owner's Contractor's Policy with limits against bodily injury and property damage of not less than \$2,000,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used); and

(iii) Workers' compensation insurance, with statutory coverage.

(b) All insurance required by this Article V shall be taken out and maintained in responsible insurance companies selected by the Redeveloper which are authorized under the laws of the State to assume the risks covered thereby. The Redeveloper will deposit annually with the Authority policies evidencing all such insurance, or a certificate(s) or binder(s) of the respective insurers stating that such insurance is in force and effect. Unless otherwise provided in this Article V, each policy shall contain a provision that the insurer shall not cancel or modify it without giving written notice to the Redeveloper and the Authority at least thirty (30) days before the cancellation or modification becomes effective. Not less than fifteen (15) days prior to the expiration of any policy, the Redeveloper shall furnish the Authority with evidence satisfactory to the Authority that the policy has been renewed or replaced by another policy conforming to the provisions of this Article V, or that there is no necessity therefor under the terms hereof. In lieu of separate policies, the Redeveloper may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein, in which event the Redeveloper shall deposit with the Authority a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Minimum Improvements.

(c) The Redeveloper shall, from time to time, provide the Authority with evidence satisfactory to the Authority that the Redeveloper's contractors and

subcontractors are maintaining workers' compensation insurance with statutorily required coverage.

ARTICLE VI

Representations as to Redevelopment; Prohibitions Against Assignment and Transfer; Release or Indemnification

Section 6.1. Representation as to Redevelopment. The Redeveloper represents and agrees that its purchase of the Redevelopment Property, and its other undertakings pursuant to this Agreement, are, and will be used, for the purpose of redevelopment of the Redevelopment Property and not for speculation in land holding. The Redeveloper further recognizes that, in view of (a) the importance of the redevelopment of the Redevelopment Property to the general welfare of the Authority, and (b) the substantial financing that has been made available by the Authority for the purpose of making such redevelopment possible, the qualifications and identity of the Redeveloper are of particular concern to the Authority. The Redeveloper further recognizes that it is because of such qualifications and identity that the Authority is entering into this Agreement with the Redeveloper, and, in so doing, is further willing to accept and rely on the obligations of the Redeveloper for the faithful performance of all undertakings and covenants hereby by it to be performed.

Section 6.2. Prohibition Against Transfer of Property and Assignment of Agreement; Assignment of Note. The Redeveloper hereby agrees that prior to the date of the issuance of the Certificate of Completion:

(a) That except for the purpose of obtaining financing necessary in the manner authorized by this Agreement to enable the Redeveloper (or any authorized successor in interest) to purchase the Redevelopment Property and to perform its obligations with respect to making the Minimum Improvements under this Agreement, and any other purpose authorized by this Agreement, the Redeveloper hereby represents and warrants to the Authority that the Redeveloper has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Redevelopment Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, without the prior written approval of the Authority which shall not be unreasonably withheld, and which consent will be conditioned on the fact that the Redeveloper remains liable and bound by this Agreement. Any such transfer shall be subject to the provisions of this Agreement. Notwithstanding the foregoing, prior to the date of the issuance of the Certificate of Completion the Redeveloper may transfer the Redevelopment Property to any corporation, partnership or entity controlling, controlled by, or under common control with the Redeveloper so long as at least fifty percent (50%) of the asserted related entity is held in common ownership by those persons or entities holding at least fifty percent (50%) ownership of Redeveloper (each an "Affiliate"), without requiring the consent of the Authority, but with thirty (30) days prior written notice to the Authority, so long as such Affiliate assumes in writing all obligations of the Redeveloper hereunder. In the event of a transfer of the Redevelopment

Property (whether to an Affiliate of the Redeveloper or to an approved third party), the Redeveloper shall not be released from the obligations of this Agreement.

Section 6.3. Assignment of Note. The Redeveloper may collaterally assign and pledge the Note to secure any loan secured by a portion of the Redevelopment Property so long as the lender provides to the Authority a Certificate that meets the requirements of this Section 6.3, the Redeveloper provides a collateral assignment document containing terms and conditions acceptable to the Authority, including that any direct payments by the Authority to the lender shall not constitute a default under this Agreement or the Note, and an appropriate allonge to the Note is provided. Redeveloper may transfer the Note to an Affiliate of Redeveloper, so long as the Affiliate provides to the Authority a Certificate meeting the requirements of this Section 6.3 and an appropriate allonge to the Note. Otherwise, the Note shall not be assignable nor transferable without the prior written consent of the Authority; provided, however, that such consent shall not be unreasonably withheld or delayed if: (a) the assignee or transferee delivers to the Authority a written instrument acknowledging the limited nature of the Authority's payment obligations under the Note, and (b) the assignee or transferee executes and delivers to the Authority a certificate, in form and substance satisfactory to the Authority, pursuant to which, among other things, such assignee or transferee represents that (i) the Note is being acquired for investment for such assignee's or transferee's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, (ii) the assignee or transferee has no present intention of selling, granting any participation in, or otherwise distributing the same, (iii) the assignee or transferee is an "accredited investor" within the meaning of Rule 501 of Regulation D under the Securities Act of 2003, as amended, (iv) the assignee or transferee, either alone or with such assignee's or transferee's representatives, has knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of the prospective investment in the Note and the assignee or transferee is able to bear the economic consequences thereof, (v) in making its decision to acquire the Note, the assignee or transferee has relied upon independent investigations and, to the extent believed by such assignee or transferee to be appropriate, the assignee's or transferee's representatives, including its own professional, tax and other advisors, and has not relied upon any representation or warranty from the Authority or the City, or any of their officers, employees, agents, affiliates or representatives with respect to the value of the Note, (vi) neither the Authority nor the City has made any warranty, acknowledgment or covenant, in writing or otherwise, to the assignee or transferee regarding the tax consequences, if any, of the acquisition and investment in the Note, (vii) the assignee or transferee or its representatives have been given a full opportunity to examine all documents and to ask questions of, and to receive answers from, the Authority and its representatives concerning the terms of the Note and such other information as the assignee or transferee desires in order to evaluate the acquisition of and investment in the Note, and all such questions have been answered to the full satisfaction of the assignee or transferee, (viii) the assignee or transferee has evaluated the merits and risks of investment in the Note and has determined that the Note is a suitable investment for the assignee or transferee in light of such party's overall financial condition and prospects,

(ix) the Note will be characterized as a “restricted security” under the federal securities laws because the Note is being acquired in a transaction not involving a public offering and that under such laws and applicable regulations such security may not be resold without registration under the Securities Act of 1933, as amended, except in certain limited circumstances, and (x) no market for the Note exists or is intended to be developed ((a) and (b) collectively, the “Certificate”).

Section 6.4. Release and Indemnification Covenants.

(a) The Redeveloper covenants and agrees that the City, the Authority and the governing body members, officers, agents, servants and employees of either of them (collectively, the “Indemnified Parties”) shall not be liable for, and Redeveloper agrees to indemnify and hold harmless the Indemnified Parties against, any loss or damage to property or any injury to or death of any person occurring at or resulting from any defect in the Minimum Improvements, due to any act, including negligence, of the Redeveloper or of others acting on its behalf or under its direction or control; provided, however, that the Redeveloper’s indemnification obligations in this subparagraph (a) shall not apply to any loss resulting from negligent, willful or wanton misconduct of any of the Indemnified Parties. The costs associated with such indemnification shall at all times be excluded from the definition of Eligible Costs. The indemnification requirement set forth herein shall survive the Expiration Date or the Termination Date of this Agreement.

(b) The Redeveloper agrees to protect and defend the Indemnified Parties, now and forever, and further agrees to hold the Indemnified Parties harmless, from any claim, demand, suit, action or other proceeding by any person or entity arising or purportedly arising from this Agreement or the transactions contemplated hereby or the acquisition, construction, installation, ownership and operation of the Minimum Improvements or the Redevelopment Property, or due to any act, including negligence, of the Redeveloper or of others acting on the behalf or under the direction or control of the Redeveloper; provided, however, that the Redeveloper’s indemnification obligations in this subparagraph (b) shall not apply to any loss resulting from any negligent or willful misrepresentation or any negligent, willful or wanton misconduct of any of the Indemnified Parties. The costs associated with such indemnification shall at all times be excluded from the definition of Eligible Costs. The indemnification requirement set forth herein shall survive the Expiration Date or Termination Date of this Agreement.

(c) None of the Indemnified Parties shall be liable for any damage or injury to the person or property of the Redeveloper or its officers, agents, servants or employees or any other person who may be on or about the Redevelopment Property or Minimum Improvements due to any act or negligence of any person, other than the negligence or misconduct of an Indemnified Party.

(d) None of the Indemnified Parties shall be liable to the Redeveloper or to any third party for any consequential or other damages that may arise out of delays of any kind relating to activities undertaken pursuant to this Agreement, including but not

limited to delays due to environmental conditions, court challenges or elements outside the control of the Authority.

(e) All covenants, stipulations, promises, agreements and obligations of the Authority contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Authority and not of any governing body member, officer, agent, servant or employee of the Authority in the individual capacity thereof.

(f) Nothing in this Section is intended to waive any municipal liability limitations contained in Minnesota Statutes, particularly Chapter 466.

ARTICLE VII

Events of Default

Section 7.1. Events of Default Defined. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean whenever it is used in this Agreement any one or more of the following events:

(a) Failure by the Redeveloper to timely pay when due all ad valorem real property taxes, special assessments and similar impositions assessed against or assessed with respect to the Redevelopment Property.

(b) Failure by the Redeveloper to commence and complete the Site Improvements, Public Improvements and/or the Minimum Improvements pursuant to the terms, conditions and limitations of this Agreement.

(c) Failure by the Redeveloper to submit to the Authority the documents required by Articles III and VI.

(d) Failure by the Redeveloper to substantially observe or perform any other covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement.

(e) If, before the issuance of Certificate of Completion for the Minimum Improvements, the Redeveloper shall:

(i) file any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act of 1978, as amended or under any similar federal or state law; or

(ii) make an assignment for the benefit of its creditors; or

(iii) admit in writing its inability to pay its debts generally as they become due; or

(iv) be adjudicated as bankrupt or insolvent; or if a petition or answer proposing the adjudication of the Redeveloper, as bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within ninety (90) days after the filing thereof; or a receiver, trustee or liquidator of the Redeveloper, or of the Minimum Improvements, or part thereof, shall be appointed in any proceeding brought against the Redeveloper, and shall not be discharged within ninety (90) days after such appointment, or if the Redeveloper shall consent to or acquiesce in such appointment.

An Event of Default shall also include any occurrence which would, with the passage of time or the giving of notice, become an Event of Default as defined hereinabove.

Section 7.2. Remedies on Default. Whenever any Event of Default referred to in Section 7.1 occurs and is continuing, the Authority, as specified below, may take any one or more of the following actions after providing thirty (30) days' written notice to the Redeveloper, but only if the Event of Default has not been cured within said thirty (30) days, or such longer period as is necessitated by an Unavoidable Delay.

(a) The Authority may suspend its performance under this Agreement including payment of the Note until it receives assurances from the Redeveloper, deemed adequate by the Authority, that the Redeveloper has cured its default and will continue its performance under this Agreement.

(b) The Authority may cancel and rescind the Agreement.

(c) The Authority may withhold a Certificate of Completion.

(d) The Authority may take whatever action, including legal, equitable or administrative action, which may be necessary or desirable to the Authority, including any actions to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement or covenant of Redeveloper under this Agreement.

Section 7.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 7.4. No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 7.5. Agreement to Pay Attorney's Fees and Expenses. Whenever any Event of Default occurs and the Authority shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of the Redeveloper herein contained, the Redeveloper agrees that it shall, within thirty (30) days of demand therefor, pay to the Authority the reasonable fees of such attorneys and such other expenses so incurred by the Authority.

Article VIII

Tax Increment; Taxes

Section 8.1. Pledge of Tax Increment. The Authority shall pledge the Tax Increments to the payment of the Note in accordance with the terms of the Note and this Agreement.

Section 8.2. Right to Collect Delinquent Taxes. The Redeveloper acknowledges that the Authority is providing substantial aid and assistance in furtherance of the development through the issuance of the Note. The Redeveloper understands that the Tax Increment pledged to payment on the Note is derived from real estate taxes on the Redevelopment Property, which taxes must be promptly and timely paid. To that end, the Redeveloper agrees for itself, its successors and assigns, in addition to the obligation pursuant to statute to pay real estate taxes, it is also obligated by reason of this Agreement to pay before delinquency all real estate taxes assessed against the Redevelopment Property and the Minimum Improvements. The Redeveloper acknowledges that this obligation creates a contractual right on behalf of the Authority to sue the Redeveloper or its successors and assigns to collect delinquent real estate taxes and any penalty or interest thereon and to pay over the same as a tax payment to the county auditor. In any such suit, the Authority shall also be entitled to recover its costs, expenses and reasonable attorney fees.

Section 8.3. Review of Taxes. The Redeveloper agrees that prior to the Termination Date it will not cause a reduction in the real property taxes paid in respect of the Redevelopment Property through willful destruction of the Redevelopment Property or any part thereof; provided that the foregoing restriction shall not apply to Redeveloper's demolition of the improvements located on the Redevelopment Property as of the effective date of this Agreement, the demolition of which shall be conducted in the normal course of redeveloping the Redevelopment Property.

Section 8.4. Petition to Reduce Tax. The Redeveloper may seek through petition or other means to have the County Assessor's estimated market value for the Redevelopment Property reduced. Until the Note is fully paid, such activity must be preceded by written notice from the Redeveloper to the Authority indicating its intention to do so. Upon receiving such notice, or otherwise learning of the Redeveloper's intentions, the Authority may suspend payments due under the Note until the actual amount of the reduction is determined, whereupon the Authority will make the suspended payments less any amount that the Authority is required to repay the County as a result of any reduction in the market value of the Redevelopment Property. During the period that the payments are subject to suspension, the Authority may make partial payments on the Note if it determines, in its sole and absolute discretion, that the amount retained will be sufficient to cover any repayment which the County may require. The Redeveloper's petition pursuant to this Section, and the Authority's suspension of payments on the Note pursuant to this Section shall not be considered a default under Article VII.

Article IX

Additional Provisions

Section 9.1. Conflict of Interest. No member, official, or employee of the Authority shall have any personal interest, direct or indirect, in the Agreement, nor shall any such member, official or employee participate in any decision relating to the Agreement which affects his personal interests or the interests of any corporation, partnership, or association in which he is, directly or indirectly, interested.

Section 9.2. Restrictions on Use. The Redeveloper shall not, in the marketing, leasing or sale of the Redevelopment Property, the Minimum Improvements, or any portion of such real property or improvements, discriminate upon the basis of race, color, creed, sex or national origin or any other basis prohibited by applicable local, State or federal laws or regulations.

Section 9.3. Intentionally Omitted.

Section 9.4 Notices and Demands. Any notice, demand, or other communication permitted or required to be given hereunder by either party to the other shall be deemed given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, transmitted by facsimile, delivered by a recognized overnight courier, or delivered personally to the following addresses (or to such other address of a party, the notice of which change of address is to be delivered to the other party in accordance with the requirements of this Section 9.3):

(a) *If to the Redeveloper:* River Edge BC Owner, LP, 200 Southdale Center, Minneapolis, MN 55435 Attention: Evan Mattson.

(b) *If to the Authority:* Housing and Redevelopment Authority in and for the City of Fridley, Minnesota, 7071 University Avenue NE, Fridley, MN 55432, Attention: City Manager. Fax: (763) 571-1287.

With a copy to: Monroe Moxness Berg PA, 7760 France Avenue South, Suite 700, Minneapolis, MN 55435-5844, Attention: Vickie Loher-Johnson, Esq. Fax: (952) 885-5969.

Section 9.5. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 9.6. Law Governing. This Agreement will be governed and construed in accordance with the laws of the State.

Section 9.7. Titles of Articles and Sections. Any titles of the several parts, Articles and Sections of this Agreement are inserted for convenience only and shall be disregarded in construing or interpreting any of its provisions.

Section 9.8. Expiration Date. This Agreement shall expire when the Note is paid in full in accordance with the terms and conditions of the Note.

Section 9.9. Termination Date. This Agreement shall terminate on the earlier of: (i) the Expiration Date or (ii) the date of any earlier termination pursuant to any provision hereof.

Section 9.10. Provisions Surviving Expiration and Termination. Any expiration or termination of this Agreement shall not terminate any indemnification or other rights or remedies under this Agreement due to (i) any Event of Default which occurred and was continuing prior to such expiration or termination, or (ii) any cause of action which arose before the expiration or termination. In addition, any expiration or termination of this Agreement shall not terminate any Declaration of Restrictive Covenants and Prohibition Against Tax Exemption which shall have been recorded against the Redevelopment Property by Redeveloper in accordance with this Agreement.

IN WITNESS WHEREOF, the Authority has caused this Agreement to be duly executed in its name and behalf and the Redeveloper has caused this Agreement to be duly executed in its name and behalf, each on or effective as of the date first above written.

(Signature pages follow)

SCHEDULE A

LEGAL DESCRIPTION OF REDEVELOPMENT PROPERTY

Real property in the City of Fridley, County of Anoka, State of Minnesota, described as follows:

Parcel 1:

That part of Lot 4, Block 4, COMMERCE PARK, according to the recorded plat thereof, Anoka County, Minnesota, lying east of the following described line:

Beginning at a point on the north line of said Lot 4, distant 15.00 feet east of the northwest corner of said Lot 4; thence southerly parallel to the west line of said Lot 4 to the south line of said Lot 4; and there terminating.

AND

The South 54.70 feet of Lot 3, Block 4, COMMERCE PARK, according to the recorded plat thereof, Anoka County, Minnesota, lying East of the following described line.

Beginning at a point on the north line of said Lot 3, distant 205.00 feet east of the northwest corner of said Lot 3, thence southerly to a point on the south line of said Lot 3, distant 125.00 feet east of the Southwest corner of said Lot 3; and there terminating.

EXCEPT:

That part of Lot 3, Block 4, COMMERCE PARK, lying in Section 10, Township 30, Range 24, according to the recorded plat thereof, Anoka County, Minnesota, and which lies east of a line beginning at a point on the north line of said Lot 3 being 205.00 feet east of the northwest corner of said Lot 3; thence southerly to a point on the south line of said Lot 3 being 125.00 feet east of the southwest corner of said Lot 3 and which lies northwesterly of the following described line:

Commencing at the northeast corner of said Lot 3; thence North 89 degrees 55 minutes 02 seconds West, along the north line of said Lot 3, a distance of 537.88 feet to the point of beginning; thence South 00 degrees 22 minutes 42 seconds East a distance of 93.85 feet; thence South 30 degrees 58 minutes 03 seconds West a distance of 40.92 feet ; thence South 73 degrees 57 minutes 03 seconds West, a distance of 129.69 feet; thence South 11 degrees 48 minutes 23 seconds West a distance of 102.57 feet; thence South 01 degree 22 minutes 32 seconds West a distance of 133.70 feet to the south line of said Lot 3; and said line there terminating.

Parcel 2:

That part of Lot 3, Block 4, COMMERCE PARK, according to the recorded plat thereof, Anoka County, Minnesota, lying north of the South 54.70 feet of said Lot 3 and east of the following described line:

Beginning at a point on the north line of said Lot 3, distant 205.00 feet east of the Northwest corner of said Lot 3; thence southerly to a point on the south line of said Lot 3, distant 125.00 feet east of the Southwest corner of said Lot 3 and there terminating.

EXCEPT:

That part of Lot 3, Block 4, COMMERCE PARK, lying in Section 10, Township 30, Range 24, according to the recorded plat thereof, Anoka County, Minnesota, and which lies east of a line beginning at a point on the north line of said Lot 3 being 205.00 feet east of the northwest corner of said Lot 3; thence southerly to a point on the south line of said Lot 3 being 125.00 feet east of the southwest corner of said Lot 3 and which lies northwesterly of the following described line:

Commencing at the northeast corner of said Lot 3; thence North 89 degrees 55 minutes 02 seconds West, along the north line of said Lot 3, a distance of 537.88 feet to the point of beginning; thence South 00 degrees 22 minutes 42 seconds East a distance of 93.85 feet; thence South 30 degrees 58 minutes 03 seconds West a distance of 40.92 feet; thence South 73 degrees 57 minutes 03 seconds West, a distance of 129.69 feet; thence South 11 degrees 48 minutes 23 seconds West a distance of 102.57 feet; thence South 01 degree 22 minutes 32 seconds West a distance of 133.70 feet to the south line of said Lot 3; and said line there terminating.

Abstract Property

SCHEDULE C

SITE IMPROVEMENTS

Subject to reimbursement as Eligible Costs within the limitations set forth herein, the Redeveloper will construct and pay for all Site Improvements, including:

- Costs of Acquisition of the Redevelopment Property (calculation of Eligible Cost of this item will at all times exclude the County Assessor's market value of the land as of January 1, 2025)
- Environmental remediation
- Site clearance/demolition
- Relocation Costs
- Landscaping and screening
- Grading and import/export soil
- Retaining walls and fences
- Storm sewers and storm water system elements
- Regional storm water pond and associated utilities, as depicted on Construction Plans
- Interest on financed Eligible Costs

SCHEDULE D

PUBLIC IMPROVEMENTS

Subject to reimbursement as Eligible Costs within the limitations set forth herein, the redeveloper will construct and pay for the following Public Improvements in accordance with City specifications and subject to approval by the City engineer. The parties will coordinate the installation of the Public Improvements in order to accommodate the timetable for construction of the Minimum Improvements. Upon completion of the Public Improvements in compliance with City specifications and acceptance by the City, the Public Improvements will become public property.

- Sanitary sewer line
- Utilities needed to meet regional storm ponding requirements

SCHEDULE E

Form of Note

US \$ _____

Fridley, Minnesota
_____, 20__

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF ANOKA
HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE
CITY OF FRIDLEY, MINNESOTA

LIMITED REVENUE TAX INCREMENT NOTE

The Housing and Redevelopment Authority in and for the City of Fridley, Minnesota (the "Authority"), hereby acknowledges itself to be indebted and, for value received, promises to pay to the order of _____ (the "Owner"), solely from the Available Tax Increment, to the extent and in the manner hereinafter defined, the principal amount of this Note, being _____ Dollars and __/100 (\$ _____) (the "Principal Amount"). The Principal Amount shall not accrue interest. Payments due under this Note shall be payable on the dates described below (the "Scheduled Payment Dates") and in the amounts as hereinafter defined (the "Scheduled Payments").

The Scheduled Payment Dates are August 1, 2028, and on the 1st day of February and August thereafter until and including February 1, 2040, unless earlier paid, in accordance with the terms of this Note.

Upon 30 days' prior written notice from the Authority to the Owner, the Principal Amount is subject to prepayment at the option of the Authority in whole or in part at any time.

Any payments on this Note shall be applied to the reduction of principal. The Note shall not bear interest.

Each payment on this Note is payable in any coin or currency of the United States of America which on the date of such payment is legal tender for public and private debts and shall be made by check or draft made payable to the Owner and mailed to the Owner at its postal address within the United States which shall be designated from time to time by the Owner.

The Note is a special and limited obligation and not a general obligation of the Authority, which has been issued by the Authority pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes,

Section 469.178, subdivision 4, to aid in financing a project, as therein defined, of the Authority consisting generally of defraying certain public redevelopment costs incurred and to be incurred by the Authority within and for the benefit of its Redevelopment Project No. 1.

THE NOTE IS NOT A GENERAL OBLIGATION OF THE AUTHORITY, THE CITY OF FRIDLEY (THE "CITY") OR THE STATE OF MINNESOTA (THE "STATE"), AND NEITHER THE AUTHORITY, THE CITY, THE STATE NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE LIABLE ON THE NOTE, NOR SHALL THE NOTE BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN AVAILABLE TAX INCREMENT, AS DEFINED BELOW.

The Scheduled Payment of this Note due on any Scheduled Payment Date is payable solely from and only to the extent that the Authority shall have received as of such Scheduled Payment Date the Available Tax Increment which is defined in the Contract for Private Redevelopment By and Between the Authority and the Owner dated as of _____, 2025 (the "Agreement"). Defined terms, not otherwise defined in the Note, shall have the meaning assigned to them in the Agreement.

The Authority shall pay on each Scheduled Payment Date to the Owner the Available Tax Increment. On February 1, 2040, the maturity date of this Note, any unpaid portion shall be deemed to have been paid in full.

This Note shall not be payable from or constitute a charge upon any funds of the Authority, and the Authority shall not be subject to any liability hereon or be deemed to have obligated itself to pay hereon from any funds except the Available Tax Increments, and then only to the extent and in the manner herein specified.

The Owner shall never have or be deemed to have the right to compel any exercise of any taxing power of the Authority or of any other public body, and neither the Authority nor any director, commissioner, council member, board member, officer, employee or agent of the Authority, nor any person executing or registering this Note shall be liable personally hereon by reason of the issuance or registration hereof or otherwise.

The Authority makes no representation or covenant, express or implied, that the revenues described herein will be sufficient to pay, in whole or in part, the amounts which are or may otherwise become due and payable hereunder.

The Authority's payment obligations hereunder shall be further conditioned on the fact that there shall not at the time have occurred and be continuing an Event of Default under the Agreement, and, further, if pursuant to the occurrence of an Event of Default under the Agreement the Authority elects to terminate the Agreement, the Authority shall have no further debt or obligation under this Note whatsoever. Reference is hereby made to the provisions of the Agreement for a fuller statement of the obligations of the Redeveloper and of the rights of the Authority thereunder, and said provisions are

hereby incorporated by reference into this Note to the same extent as though set out in full herein. The execution and delivery of this Note by the Authority, and the acceptance thereof by the Redeveloper, as the initial Registered Owner hereof, shall conclusively establish this Note as the "Note" (and shall conclusively constitute discharge of the Authority's obligation to issue and deliver the same to the Redeveloper) under the Agreement.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to have happened, and to be performed precedent to and in the issuance of this Note have been done, have happened, and have been performed in regular and due form, time, and manner as required by law; and that this Note, together with all other indebtedness of the Authority outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the Authority to exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Fridley, Minnesota, by its Commission Members, has caused this Note to be executed by the manual signatures of the Chair and the Executive Director of the Authority and has caused this Note to be dated _____, 20__.

By _____
Its Chair

By _____
Its Executive Director

CERTIFICATE OF REGISTRATION

It is hereby certified that the foregoing Note, as originally issued as of the ____ day of _____, 20__, was on said date registered in the name of the Housing and Redevelopment Authority in and for the City of Fridley, Minnesota, a public body corporate and politic and that, at the request of said Registered Owner of this Note, the undersigned has this day registered this Note as to principal and interest on the Note in the name of such Registered Owner, as indicated in the registration blank below, on the books kept by the undersigned for such purposes.

Name of
Registered Owner

Date of
Registration

Signature of
Executive Director

_____,
a _____

_____, 20__

SCHEDULE F

Form of Certificate of Completion

WHEREAS, the Housing and Redevelopment Authority in and for the City of Fridley, Minnesota, a political subdivision of the State of Minnesota (the "Authority") and River Edge BC Owner, LP, a Delaware limited partnership (the "Redeveloper") have entered into a Contract for Private Redevelopment (the "Agreement") dated as of _____, 2025 regarding certain real property located in Tax Increment Financing District No. 27 in the City (hereinafter referred to and referred to in the Agreement as the "Redevelopment Property"); and

WHEREAS, the Agreement contains certain conditions and provisions requiring the Redeveloper to construct improvements upon the Redevelopment Property (hereinafter referred to and referred to in the Agreement as the "Minimum Improvements"), as well as certain "Public Improvements"; and

WHEREAS, Section 4.4 of the Agreement requires the Authority to provide an appropriate instrument promptly after the substantial completion (as defined in the Agreement) of the Minimum Improvements and the Public Improvements so certifying said substantial completion;

NOW, THEREFORE, in compliance with said Section 4.4 of the Agreement, this is to certify that the Redeveloper has substantially completed the Minimum Improvements and the Public Improvements in accordance with the conditions and provisions of the Agreement relating solely to the obligations of the Redeveloper to construct the Minimum Improvements and the Public Improvements (including the dates for beginning and completion thereof), and this certification shall be a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement with respect to the obligations of the Redeveloper, and its successors and assigns, to construct the Minimum Improvements and the Public Improvements, and the dates for the beginning and completion thereof.

SCHEDULE G

Declaration of Restrictive Covenants and Prohibition Against Tax Exemption

This Declaration is made and executed as of the _____ day of _____, 202_ by River Edge BC Owner, LP, a Delaware limited partnership (“Declarant”).

RECITALS

A. Declarant is fee owner of the premises located in the County of Anoka, State of Minnesota described on Exhibit A attached hereto (the “Property”).

B. The Housing and Redevelopment Authority in and for the City of Fridley, Minnesota, a political subdivision of the State of Minnesota (the “Authority”) has entered into a Contract for Private Redevelopment dated as of _____, 2025 with the Declarant (the “Redevelopment Agreement”). The Redevelopment Agreement provides for certain assistance, financial and otherwise, to be provided by the Authority in connection with the construction of certain improvements by the Declarant on the Property.

NOW, THEREFORE, in consideration of the foregoing, Declarant, for itself and its successors and assigns, does hereby declare that the Property shall be owned, used, occupied, sold and conveyed subject to the following covenants and restrictions:

1. No part of the Property shall become tax exempt from the levy of *ad valorem* property taxes, or any statutorily authorized alternative, until December 31, 2039.

2. The covenants and restrictions herein contained shall run with the title to the Property and shall be binding upon all present and future owners and occupants of the Property; provided, however, that the covenants and restrictions herein contained shall inure only to the benefit of the Authority and may be released or waived in whole or in part at any time, and from time to time, by the sole act of the Authority, and variances may be granted to the covenants and restrictions herein contained by the sole act of the Authority. These covenants and restrictions shall be enforceable only by the Authority, and only the Authority shall have the right to sue for and obtain an injunction, prohibitive or mandatory, to prevent the breach of the covenants and restrictions herein contained, or to enforce the performance or observance thereof.

3. The covenants and restrictions herein contained shall remain in effect until December 31, 2039 and thereafter shall be null and void.

4. If any one or more of the covenants or restrictions contained in this Declaration are held to be invalid or unenforceable, the same shall in no way affect any of the other provisions of this Declaration, which shall remain in full force and effect.

Resolution No. 2026-03

A RESOLUTION AUTHORIZING EXECUTION AND DELIVERY OF A CONTRACT FOR PRIVATE REDEVELOPMENT BY AND BETWEEN THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF FRIDLEY MINNESOTA AND RIVER EDGE BC OWNER, LP

BE IT RESOLVED by the Board of Commissioners (the "Board") of the Housing and Redevelopment Authority in and for the City of Fridley Minnesota (the "Authority") as follows:

Section 1. Recitals.

1.01. It has been proposed that the Authority enter into a Contract for Private Redevelopment (the "Contract") with River Edge BC Owner, a limited partnership organized under the laws of the State of Delaware (the "Redeveloper").

Section 2. Findings.

2.01. The Authority hereby finds that it has approved and adopted a development program known as the Redevelopment Plan for its Redevelopment Project No. 1 (the "Redevelopment Program") pursuant to Minnesota Statutes, Section 469.001 *et seq.*, as amended and supplemented from time to time.

2.02 The Authority hereby finds that the Contract promotes the objectives set forth in its Redevelopment Program.

Section 3. Authorization for Execution and Delivery.

3.01. The Chairperson and the Executive Director of the Authority (the "Officers") are hereby authorized to execute and deliver the Contract.

Passed and adopted by the Housing & Redevelopment Authority in and for the City of Fridley this 8th day of January, 2026.

Elizabeth Showalter - Chairperson

Attest:

Paul Bolin - Executive Director

AGENDA REPORT



Meeting Date: January 8, 2026
Meeting Type: Housing and Redevelopment Authority
Submitted By: Paul Bolin, Community Development Director
Stacy Stromberg, Assistant Community Development Director/HRA
Title: Update on Housing Programs

Background

On a monthly basis, staff will provide updates from CEE on the past month's activity for the Authority's Loan Programs, Remodeling Advisor Visits and Home Energy Squad Visits.

Recommendation

Attachments and Other Resources

1. 11-16-25 to 12-15-25 Fridley

Vision Statement

We believe Fridley will be a safe, vibrant, friendly, and stable home for families and businesses.

Fridley Loan Summary Report

Activity for Period 11/16/2025 - 12/15/2025



Application packets requested/mailed:	This period:	0	Year-to-Date:	8
Residential Advisor Visits:	This period:	1	Year-to-Date:	18
Applications received and processed in your City/Neighborhood this period:				31

Closed Loans

FHF

2-4 Unit Revolving

Total

This period:

0.00

0.00

Units

0

0

Year-to-Date:

0.00

0.00

Units

0

0

Fridley

Closed End

Down Payment Assistance

Home Betterment Deferred

Last Resort

Last Resort Emergency Deferred

Mobile Home Closed End

Multi Family Exterior Closed End

Senior Deferred

Total

32,402.70

0.00

0.00

0.00

0.00

0.00

0.00

0.00

32,402.70

Units

0

1

0

0

0

0

0

0

1

\$1,218,421

50,000.00

95,124.00

0.00

3,670.00

0.00

0.00

140,990.20

1,508,204.97

Units

0

45

6

7

0

1

0

0

8

67

Leveraged Funds

CEE

MHFA FUF

Total

This period:

0.00

0.00

0.00

Units

0

0

0

Year-to-Date:

7,705.00

157,132.00

164,837.00

Units

1

3

4

Types of Improvements Financed YTD	# of Projects	% of Total
Additions/Finishing off unused space	4	4.00
Air Conditioning	1	1.00
Bathrooms	4	4.00
Deck	1	1.00
Down Payment Assistance	6	6.00
Driveways	4	4.00
Electrical	7	7.00
Flooring/Carpet/Tile	2	2.00
Foundations/Basement	1	1.00
Garage	4	4.00
Heating System	8	8.00
Insulation	2	2.00
Kitchens	5	5.00
Landscaping	2	2.00
Other Exterior Improvements	10	10.00
Other Interior Improvements	9	9.00
Patio	1	1.00
Plumbing	4	4.00
Radon Mitigation	1	1.00
Roof	11	11.00
Sidewalks, Steps	2	2.00
Siding, Stucco, Exterior Paint	4	4.00
Solar-PV	2	2.00
Thermostat	1	1.00
Windows, Doors, Storm Windows, Storr	4	4.00

Types of Properties Financed YTD	#	% of Total
Commercial - Non-residential	1	1.39
Condominium	1	1.39
Single Family Residence	64	88.89
Townhouse	6	8.33