



HOUSING AND REDEVELOPMENT AUTHORITY AGENDA
Tuesday, June 4, 2024
Immediately Following Regular Council Meeting
Coon Rapids City Center
Council Chambers

Call to Order

Roll Call

Approval of Minutes of Previous Meeting

New Business

1. Consider Lender Subordination Agreement, IDC-Automatic

Other Business

Adjourn



HRA Regular

1.

Meeting Date: 06/04/2024

Subject: Consider Lender Subordination Agreement, IDC-Automatic

From: Matt Brown, Community Development Director

INTRODUCTION

The HRA is asked to consider a Lender Subordination Agreement related to an economic development loan for IDC-Automatic.

DISCUSSION

Located in Coon Rapids for many years, IDC-Automatic manufactures, installs, and services both residential and commercial garage doors. In 2022, the HRA approved a \$165,000 business development loan to Virka Holdings LLC and IDC-Automatic, LLC. This loan helped facilitate the purchase of the IDC Automatic's real estate, which includes a 22,806-square-foot building at 360 Coon Rapids Boulevard, as well as an adjacent 1.7-acre vacant lot, by the current business owner. The owner now plans a building addition on the vacant lot that is currently going through the land use approval process. The building addition involves a soil vapor mitigation system approval by the Minnesota Pollution Control Agency, which requires environmental covenant to be recorded against the property. As a part of that covenant, any party with an interest in the property, including all lenders, must sign a subordination agreement. The HRA is asked to consider the attached subordination agreement.

RECOMMENDATION

Staff recommends that the HRA approve the Lender Subordination Agreement.

Attachments

Lender Subordination Agreement

EXHIBIT #6

LENDER SUBORDINATION AGREEMENT

FOR VALUABLE CONSIDERATION, the undersigned hereby subordinates the lien on real property in Anoka County, Minnesota, which is evidenced by a Mortgage, dated December 21, 2022, and recorded on April 12, 2023, as document number #2388592.001 in the Office of the County Recorder of Anoka County, Minnesota, to the Environmental Covenant and Easement to which this agreement is attached. The undersigned does not waive the right to consent to any subsequent amendment or modification to the Environmental Covenant and Easement.

The Housing and Redevelopment Authority in and For
The City of Coon Rapids

By: _____.
Jerry Koch

Its: Chair

By: _____.
Jennifer Geisler

Its: Secretary

STATE OF _____)
) SS.
COUNTY OF _____)

This instrument was acknowledged before me on _____, by
(month/day/year)
Jerry Koch as chair and Jennifer Geisler as Secretary, of The Housing and Redevelopment Authority in
and For The City of Coon Rapids.

Notary Public (signature)

My Commission Expires (mm/dd/yyyy): _____