

City of Ramsey
Agenda
Housing and Redevelopment Authority (HRA)
Regular Session (portions may be closed to the public)
Tuesday May 10, 2011
Immediately following the City Council Meeting
Council Chambers, 7550 Sunwood Drive NW

- 1. Call to Order**
- 2. Citizen Input**
- 3. Approve Agenda**
- 4. Approve Minutes**
- 5. HRA Business**
 1. Approve Documents to Clear Title to Lands owned by the Housing and Redevelopment Authority (HRA) in the plat of COR ONE
 2. Consider Flaherty and Collins Financing Options (portions may be closed to the public)
- 6. Executive Director's Report**
- 7. Commissioner Input**
- 8. Adjournment**

HRA Regular Session

5. 1.

Meeting Date: 05/10/2011**By:** Heidi Nelson, Administrative Services**Title:**

Approve Documents to Clear Title to Lands owned by the Housing and Redevelopment Authority (HRA) in the plat of COR ONE

Background:

Over the past 12 months, in preparation for land transactions in The COR with Flaherty and Collins and TOTI Land Development, the DM Team has been working with the City's HRA Real Estate Counsel to research and resolve any title issues that would need to be cleared prior to completing a land transaction. The attached letter from Mr. Tom Bray, the HRA's Real Estate Counsel, describes in detail the title issue that is being resolved with each document.

There are three documents that need to be approved by the HRA. The HRA (items no. 2 and 6 in Bray letter). The City Council and Board of Adjustment (item no. 3 in Bray letter) will also need to approve documents related to clearing the title. Those actions will be requested at upcoming meetings of the Board of Adjustment and earlier this evening at City Council.

The following documents are presented to the Housing and Redevelopment Authority this evening for approval (item no.'s in attached Bray letter): Release of Land from Restrictions (item no. 2), Quit Claim Deed (item no. 6) and Declaration of Easement (item no. 6).

As Council may recall, item no. 4 (Release of Land from and Amendment to Lease Agreement) in the attached letter was completed earlier this year by action of the City Council, HRA and EDA. Item no. 2 (Release from Use Restrictions) will be executed, upon approval, and recorded immediately following tonight's action. Item no. 6 (Quit Claim Deed and Easement Declaration) will be recorded at closing.

Notification:

None required.

Observations:

Please refer to attached letter from Mr. Tom Bray, HRA Real Estate Legal Counsel.

Recommendation:

Staff recommends that the HRA approve the Release of Land from Restrictions, Quit Claim Deed and the Declaration of Easement.

Funding Source:

HRA legal funded by HRA levy and budget. Transaction specific legal expenses are paid from land sale proceeds.

Council Action:

Approve the Release of Land from Restrictions, Quit Claim Deed and the Declaration of Easement.

Attachments

Letter from T Bray

Release of Use Restrictions

Quit Claim Deed

Declaration of Easement

Deed Restriction

Form Review

Inbox
Darren Lazan
Heidi Nelson (Originator)
Form Started By: Heidi Nelson

Reviewed By
JoAnn Shaw
JoAnn Shaw

Date
05/05/2011 10:57 AM
05/05/2011 11:02 AM
Started On: 05/03/2011 07:30 PM

Final Approval Date: 05/05/2011



2200 IDS Center
80 South 8th Street
Minneapolis MN 55402-2157
tel 612.977.8400
fax 612.977.8650

March 3, 2011

Thomas L. Bray
(612) 977-8285
tbray@briggs.com

VIA E-MAIL

Heidi Nelson
Assistant Administrator
City of Ramsey
Ramsey Municipal Center
7550 Sunwood Drive
Ramsey, MN 55303

Dear Heidi:

Heidi, enclosed with this letter I am sending to you a number of documents that the City, the EDA and/or the HRA must execute to clear title to the F&C property. Some of these documents also clear title to the TOTI property. A brief description of each document is set forth below.

Note that the documents referenced in paragraph 4 relate to the bond financing for Ramsey Municipal Center, and by copy of this letter I ask that Mary Ippel contact you directly to discuss any requirements related to the City's and the EDA's approval and execution of these documents.

1. Release of Option. As you may recall, Ramsey Town Center LLC granted the City of Ramsey an option to purchase a portion of the RTC property in connection with the execution of the First Amendment to the Master Declaration Agreement in February of 2005. That option still encumbers Outlot A, Ramsey Town Center Fifth Addition and a portion of Outlot B, Ramsey Town Center Fifth Addition. The City needs to release its Option. The City Council can approve the execution of, execute and record this Agreement at any time. It must be recorded before the recording of the Plat.
2. Use Restrictions Paragraph 8 of Exhibit B to the Warranty Deed dated February 22, 2005 from Ramsey Town Center LLC to the City of Ramsey. A Deed was recorded as Document No. 482124.004 (Torrens) and 1973660.003 (Abstract) imposes use restrictions on portions of the F & C Property. A copy of the Deed is enclosed for your reference. I am also enclosing an instrument entitled Release of Land from Restrictions that releases and terminates these Restrictions. The City and the HRA need to approve and execute the release of land from restrictions in order to terminate these restrictions of record. The City Council and the HRA can

Heidi Nelson
March 3, 2011
Page 2

approve the execution of, execute and record this Agreement at any time. It must be recorded before the recording of the Deed to F & C.

3. Resolution Approving the Modification of a Variance to the Maximum Front Yard Setback for the Ramsey Municipal Facility. When Ramsey Municipal Center was built, the City granted itself a variance from the applicable front yard setbacks. The Resolution approving the variance was recorded in the Anoka County Land Records. The Resolution describes the property subject to the Resolution as Outlots S, T, X, Y and Z, Ramsey Town Center Addition. These lots were later replatted at parts of Lots 1, 1A and 2, Block 1, Ramsey Town Center Fifth Addition and are now being replatted as parts of COR ONE. The purpose of this Resolution is to amend the legal description attached to the original variance so that the variance only affects the actual Ramsey Municipal Center site which will now be described as Lots 1 and 1A, Block 1, COR ONE, Anoka County, Minnesota. I assume it will need to satisfy the same public notice requirements as an original variance, but I suggest you check with Bill Goodrich as to that issue. The City's Board of Adjustment should consider the adoption of this Resolution after the City Council has approved the Preliminary Plat of COR ONE. It should be recorded after the Plat of COR ONE is recorded and before the HRA conveys the COR ONE Parcel to COR ONE.
4. Release of Land from and Amendment to Lease Agreement and Release of Land from and Amendment to Ground Lease Agreement. As a part of the financing of the Ramsey Municipal Center, the City ground leased the Municipal Center site to the EDA and the EDA leased the property back to the City. Both the Ground Lease and the Lease describe the property subject to the Lease as Lots 1 and 1A, Block 1, Ramsey Town Center Fifth Addition. As the result of the replatting, a portion of that property will no longer be a part of the Municipal Center site. The purpose of these instruments are to amend the Ground Lease and Lease so they only encumber Lots 1 and 1A, COR ONE, Anoka County, Minnesota and to release the portion of the former Lot 1 and Lot 1A, Ramsey Town Center Fifth Addition that will not be a part of Lots 1 and 1A, COR ONE. As I indicated above, please contact Mary Ippel to discuss the specific procedures which must be followed in approving, executing and recording these instruments.
5. Release of Deferred Assessments. There is a Certificate of Deferred Assessments recorded against title to Lot 1, Block 1, Ramsey Town Center Addition. The Certificate indicates that there is a deferred assessment of \$170,330.00 as of April 6, 2007. I assume that this deferred assessment was released at the same time as the rest of the special assessments were released. If so, the City must release the deferred assessment of record because a portion of Lot 1, Block 1,

Heidi Nelson
March 3, 2011
Page 3


Ramsey Town Center Fifth Addition will be included within the F&C site. Enclosed is a Release of Land from Deferred Assessments for approval by the Ramsey City Council and execution by the Mayor and City Administrator. The City Council may approve, execute and record this Release at any time and must record this release before the recording of the Plat.

6. Quit Claim Deed and Declaration of Easement. The F & C parcel is being assembled from both City and HRA property. Before the HRA can convey to F & C, the City must quit claim its interest to the HRA. In addition, before the HRA conveys Lot 3 to F & C, the HRA must declare and easement over Lot 3 to provide access from Sunwood Drive to the City's Parking Ramp. I am enclosing these for informational purposes. These documents should be approved and executed at the same time as the F & C closing documents and will be recorded after the recording of the Plat.

We can discuss how you want to process these documents but once they have all been approved by the City and, as applicable, the EDA and HRA, we should deliver them all to Commercial Partners Title for recording. If the TOTI transaction closes first, I will need to coordinate between Commercial Partners Title and Land Title to ensure that the Release of Option is recorded in time for the TOTI closing.

If you have any questions regarding these documents or their proper approval, please call me at 612-977-8285.

Very truly yours,



Thomas L. Bray

TLB/dgp
Enclosures
cc: Darren Lazan
Mary Ippel

RELEASE OF LAND FROM RESTRICTIONS

WHEREAS, Ramsey Town Center LLC, a Minnesota limited liability company, executed a warranty deed conveying certain property legally described as Outlots L, M, S, T, X, Y, Z and AA, RAMSEY TOWN CENTER, Anoka County, Minnesota to the City of Ramsey, a Minnesota municipal corporation (the "City") dated on or about February 22, 2005, and filed for record on March 16, 2005 as Torrens Document No. 482124.004 and Abstract Document No. 1973660.003, in the Office of the Registrar of Titles of Anoka County, Minnesota (the "Warranty Deed"). Exhibit B of the Warranty Deed sets forth certain Permitted Encumbrances and creates a Restriction on the use of "the City Hall and Parking Ramp Sites." The Restriction states that it shall run with the land and is for the benefit of the owners of the property in the Core Area, which is legally described on Exhibit B-1 to the Warranty Deed.

WHEREAS, the City and the Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota, a body politic and corporate under the laws of the State of Minnesota (the "HRA") are now the owners of all of the property in the Core Area.

WHEREAS, the second paragraph of Section 8 on Exhibit B to the Warranty Deed states that the restrictions set forth on Exhibit B may be amended or released with the written consent of the owners of a majority of the tax parcels within the Core Area.

WHEREAS, the City and the HRA, as the owners of all of the tax parcels within the Core Area, as set forth on Exhibit A, desire to release and terminate the restrictions set forth on Exhibit B of the Warranty Deed.

NOW THEREFORE, pursuant to the authority set forth in Paragraph 8 on Exhibit B of the Warranty Deed, the City and the HRA, as the Owners of all of the tax parcels located wholly or partially within the "Core Area" as defined on Exhibit B-1 of the Warranty Deed, completely and fully release the restrictions set forth in Paragraph 8 on Exhibit B of the Warranty Deed.

IN WITNESS WHEREOF, the undersigned have executed this Release of Restrictions, effective as of _____, 2011.

THE HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE CITY OF
RAMSEY, MINNESOTA, a public body under the
laws of Minnesota

By: _____
Its Chair

By: _____
Its Secretary

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me on _____, 2011, by _____, the Chairperson, and _____, the Secretary, of the Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota, a public body under the laws of Minnesota, on behalf of such public body.

Signature of Notary Public

CITY OF RAMSEY, a municipal corporation
organized and existing under the laws of the State of
Minnesota

By: _____
Its Mayor

By: _____
Its City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me on _____, 2011, by Bob Ramsey, the Mayor, and Kurt Ulrich, the City Administrator, of the City of Ramsey, a Minnesota municipal corporation, on behalf of said corporation.

Signature of Notary Public

DRAFTED BY AND WHEN
RECORDED RETURN TO:
Briggs and Morgan, P.A. (LRC)
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402
(612) 977-8400

EXHIBIT A

TAX PARCELS LOCATED IN CORE AREA

CORE AREA TAX PARCEL PIN NUMBERS	OWNER OF TAX PARCEL
283225310015 (Partial)	The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota
283225310014	The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota
283225310012	City of Ramsey
283225310013	The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota
283225420010	City of Ramsey
283225240011 (Partial)	The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota
283225240013	The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota
283225240012	The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota
283225240010	City of Ramsey
283225240009 (Partial)	The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota
283225240007 (Partial)	The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota
283225240008	The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota
283225310009	The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota
283225420018	The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota

State of Minnesota, County of _____

This instrument was acknowledged before me on _____, by _____
(month/day/year) *(name of authorized signer)*

_____ as _____
(type of authority)

and by _____
(name of authorized signer)

as _____ of The City of Ramsey _____
(type of authority) *(name of Grantor)*

(Seal, if any)

(signature of notarial officer)

Title (and Rank): _____

My commission expires: _____
(month/day/year)

THIS INSTRUMENT WAS DRAFTED BY:
(insert name and address)

Briggs and Morgan, P.A. (TLB)
2200 IDS Center
80 South Eighth Street
Minneapolis, MN 55402-2157

TAX STATEMENTS FOR THE REAL PROPERTY
DESCRIBED IN THIS INSTRUMENT SHOULD BE SENT
TO:
(insert name and address of Grantee to whom tax statements should be sent)

The Housing and Redevelopment Authority
in and for the City of Ramsey, Minnesota
Ramsey Municipal Center
7550 Sunwood Drive
Ramsey, MN 55303

DECLARATION OF PUBLIC ROADWAY EASEMENT

1. **Declarant.** The Housing and Redevelopment Authority in and for the City of Ramsey, a body politic and corporate under the laws of the state of Minnesota (the "HRA") makes this Declaration of Public Roadway Easement (the "Declaration of Easement") as of the date set forth in Section 2 below.

2. **Effective Date.** This Declaration of Easement is effective as of the ____ day of _____, 2011.

3. **Recitals.**

3.1 **Recital One.** The HRA is the owner of the real property legally described on the attached **Exhibit A** (the "F&C Property");

3.2 **Recital Two.** The City of Ramsey, a municipal corporation and political subdivision of the State of Minnesota (the "City") is the owner of the real property legally described on the attached **Exhibit B** (the "City Property").

3.3 **Recital Three.** The F&C Property and the City Property are referred to collectively in this Declaration of Easement as the "Property."

3.4 **Recital Four.** The HRA is selling the F&C Property to F & C Ramsey, LLC, an Indiana limited liability company ("F&C") pursuant to that certain Purchase Agreement among and between F&C, the City and the HRA dated January 31, 2011 (the "Purchase Agreement").

3.5 **Recital Five.** Pursuant to Section 6(b)(ii)(F) of the Purchase Agreement, the HRA is to convey the F&C Property to F&C subject an appurtenant, exclusive easement over a portion of the F&C Property for public vehicular and pedestrian ingress and egress between the City Property and Sunwood Drive. The public may use the easement 24 hours a day, every day without restriction.

4. **Declaration of Access Easement.** The City hereby declares a perpetual, exclusive easement over and across the real property legally described on **Exhibit C-1** (the "Easement Property") and depicted on **Exhibit C-2** for the construction, maintenance and repair of a public roadway and the use of such public roadway by the public for vehicular and pedestrian ingress and egress between the City Property and adjacent public rights of way. The easement is referred to herein as the "Public Roadway Easement."

5. **Benefitted Property.** The Public Roadway Easement is appurtenant to the City Property and is for the use and benefit of the City and the public.

6. **Construction Obligations.** [Needed?/Discuss]

7. **Maintenance of the Roadway Improvements.** [Discuss]

8. **Enforcement.** F&C, the City and any future owner of all or any portion of the Property have the right to enforce the terms of this Declaration of Easement in a legal or equitable action brought in a court of competent jurisdiction, and the prevailing party in any such action is entitled to recover from the opposing party the prevailing parties attorney's fees and costs.

9. **Run With Title.** The Public Roadway Easement runs with title to the City Property and inures to the benefit of and is binding upon all the owners of the City Property and the F&C Property, their heirs, successors and assigns.

EXHIBIT A

Legal Description of F&C Property

Lot 3, Block 1, COR ONE, Anoka County, Minnesota according to the recorded plat thereof.

EXHIBIT B

Legal Description of City Property

Lot 2, Block 1, COR ONE, Anoka County, Minnesota according to the recorded plat thereof.

EXHIBIT C-1

EXHIBIT C-2



Record ID 1528179

482124.004

ABSTRACT/TORRENS
DOCUMENT

ABSTRACT/TORRENS
DOCUMENT

1973660.003

Record ID 1527904



THIS PAGE IS NOT PART OF THE ORIGINAL DOCUMENT
PRESENTED FOR RECORDING

Added by Anoka County Recorder for posting only.

Post to Abstract Document Number _____

	PIN	Range
T	1. 28-32.25-24-0004	through
T	2. _____ 31-0008	through
T	3. _____ 31-0010	through
T	4. _____ 31-0011	through
A	5. _____ 42-0005	through
A	6. _____ 42-0006	through
A	7. _____ 42-0007	through
A	8. _____ 42-0003	through
	9.	through
	10.	through
	11.	through
	12.	through
	13.	through
	14.	through

DEED TAX DUE: \$ 9,413.83
Date: February 22, 2005

4

FOR VALUABLE CONSIDERATION, Ramsey Town Center LLC

a limited liability company under the laws of Minnesota
Grantor, hereby conveys and warrants to the City of Ramsey

Grantee, a municipal corporation under the laws of Minnesota
real property in Anoka County, Minnesota, described as follows:

See Exhibit A

together with all hereditaments and appurtenances belonging thereto, subject to the following exceptions: the lien of all unpaid special assessments and interest thereon; and those Permitted Encumbrances set out in Exhibit B, and the restrictions reflected in the permitted encumbrances.

Check box if applicable:

- A well disclosure certificate accompanies this document.
- The Seller certifies that the seller does not know of any wells on the described real property.
- I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

Affix Deed Tax Stamp Here

STATE OF MINNESOTA }
COUNTY OF Anoka } ss.

Ramsey Town Center LLC

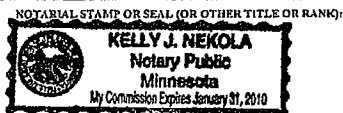
By Bruce A. Nedegaard
Bruce A. Nedegaard
Its Chief Manager

By _____
Its _____

This instrument was acknowledged before me on February 22, 2005 (Date)

by Bruce A. Nedegaard and _____
the Chief Manager and _____
of Ramsey Town Center LLC

a limited liability company under the laws of Minnesota
on behalf of the limited liability company



Kelly J. Nekola
SIGNATURE OF NOTARY PUBLIC OR OTHER OFFICIAL

Check here if part or all of the land is Registered (Torrens)
Tax Statements for the real property described in this instrument should be sent to (include name and address of Grantee):

THIS INSTRUMENT WAS DRAFTED BY (NAME AND ADDRESS):

Rolfe A. Worden
Hinshaw & Culbertson
3100 Campbell Mithun Tower
222 South Ninth Street
Minneapolis, MN 55402
(612) 334-2516
118862

REGISTERED ABSTRACTERS, INC.
2115 3rd AVENUE NORTH
ANOKA, MN 55303

City of Ramsey
15153 Nowthen Boulevard NW
Ramsey, MN 55303

705-01154

Exhibit A

Legal Description

Outlots L, M, S, T, X, Y, Z, and AA, Ramsey Town Center Addition

EXHIBIT B

PERMITTED ENCUMBRANCES AND RESTRICTIONS

1. Master Development Agreement dated September 17, 2003, filed September 24, 2003 as Document No. 1854364 (abstract) and 446333 (Torrens), as amended by a First Amendment to Master Development Agreement dated as of the 28th day of February, 2005 and recorded in the office of the Anoka County Recorder and the office of the Anoka County Registrar of Titles on March 9, 2005 as Document Nos. 1973508 and 482049, respectively.
2. Levied and pending special assessments.
3. Parking Improvement Use and Maintenance Agreement dated as of the 28 day of February, 2005 and recorded in the office of the Anoka County Recorder and the Anoka County Registrar of Titles on _____, 2005 as Document No. _____.
4. City of Ramsey Parkland and Trail Plan Agreement for Ramsey Town Center dated _____, 2005, and recorded in the office of the Anoka County Recorder and the Anoka County Registrar of Titles as Document No. _____ on _____.
5. The restriction setting forth the Declaration of Restrictive Covenant Regarding Banking or Financial Institutions Agreement dated September 23, 2003 and recorded in the office of the Anoka County Recorder and Registrar of Titles on September 26, 2003 as, respectively, Document Nos. 1855389.0 and 446644.0.
6. Easements dedicated on the plat of Ramsey Town Center Addition.
7. Terms and conditions of Ordinance No. 86-11 establishing a Storm Sewer Improvement Tax District, recorded as Document No. 784944.
8. For a period of 30 years following the date of this deed, the City may only use the City Hall and Parking Ramp Sites for purposes of a City Hall, a multi-modal transit station, one or more public parking ramps, one or more public parking lots or other parking facilities, or a combination of the above uses. This restriction shall run with the land and are for the benefit of the owners of property in the Core Area, which is legally described in Exhibit B-1 attached hereto.

The restrictions hereby imposed may be amended or released with the written consent of the owners of a majority of the tax parcels within the Core Area. A document amending or releasing these restrictions must: be in writing and must reflect with specificity the nature of the release of the restriction or the amendment of the restriction, and:

- a. be signed and acknowledged by a majority of the owners of the tax parcels in the Core Area, be in recordable form, or in lieu thereof,
- b. may consist of an affidavit of the City Administrator of the City of Ramsey, in recordable form certifying that the City of Ramsey has obtained the written approval of the owners of a majority of the tax parcels in the Core Area approving such amendment or release. Said affidavit shall be prima facie evidence of the facts set forth therein.

In the event of a breach of the restriction, the benefited parties' sole remedy is to commence an action in Anoka County District Court to enjoin any use of the City Hall and Parking Ramp Sites which violates the restriction.

EXHIBIT B-1

LEGAL DESCRIPTION OF THE CORE AREA

PARKING DISTRICT DESCRIPTION FOR THE CITY OF RAMSEY

All that part of Outlots L, M, Q, R, S, T, W, X, Y, Z and AA and that part of Sunwood Drive, Civic Center Drive, East Town Center Drive, West Town Center Drive and West Ramsey Parkway, RAMSEY TOWN CENTER ADDITION, Anoka County, Minnesota, lying within the following described boundary:

Commencing at the southeast corner of said Outlot M; thence North 66 degrees 10 minutes 33 seconds West, assumed bearing along the southwest line of said Outlot M, 979.56 feet; thence South 23 degrees 43 minutes 04 seconds West 50.00 feet to the center line of said Civic Center Drive and the point of beginning of the boundary to be described; thence South 66 degrees 10 minutes 33 seconds East, along said centerline, 1652.56 feet, to the intersection with the southwesterly extension of a line 30.00 feet southeasterly of and parallel with the northwesterly line of said Outlot AA; thence North 23 degrees 43 minutes 04 seconds East, along said parallel line and its extension, 870.99 feet; thence North 66 degrees 16 minutes 56 seconds West 293.70 feet; thence westerly along a tangential curve concave to the south 82.79 feet, said curve having a radius of 200.00 feet and a central angle of 23 degrees 43 minutes 04 seconds; thence bearing West 135.01 feet to the centerline of said East Town Center Drive; thence North 00degrees 01 minutes 19 seconds East, along said centerline, 436.60 feet; thence bearing West 557.48 feet; thence westerly along a tangential curve concave to the north 426.06 feet, said curve having a radius of 963.00 feet and a central angle of 25 degrees 20 minutes 58 seconds, to a point on a line bearing North 23 degrees 43 minutes 04 seconds East from the point of beginning; thence South 23 degrees 43 minutes 04 seconds West 867.54 feet to the point of beginning.

ANOKA COUNTY MINNESOTA

Document No.: 482124.004 TORRENS

I hereby certify that the within instrument was filed in this
office for record on: 03/16/2005 11:25:00 AM

Fees/Taxes In the Amount of: \$9,453.33

MAUREEN DEVINE

Anoka County Property Tax

Administrator/Recorder/Registrar of Titles

JMD, Deputy

Certificate of Real Estate Value Filed

Delinquent Taxes Certified

Transfer Entered

Record ID: 1528179

ANOKA COUNTY MINNESOTA

Document No.: 1973660.003 ABSTRACT

I hereby certify that the within instrument was filed in this
office for record on: 03/16/2005 11:24:00 AM

Fees/Taxes In the Amount of: \$19.50

MAUREEN DEVINE

Anoka County Property Tax

Administrator/Recorder/Registrar of Titles

BMC, Deputy

Certificate of Real Estate Value Filed

Delinquent Taxes Certified

Transfer Entered

Record ID: 1527904

HRA Regular Session

5. 2.

Meeting Date: 05/10/2011

By: Darren Lazan, Housing &
Redevelopment Authority

Title:

Consider Flaherty and Collins Financing Options (portions may be closed to the public)

Background:

In December of 2010, The HRA approved the real estate deal with Flaherty and Collins for the sale of land immediately west and north of the parking structure and proposed addition. Since that time, F&C has been working to secure their construction financing to commence in late June as scheduled. In early April, the HRA approved an amendment to the original agreements that extended their contingency for financing to May 15th, and their closing date to the end of June.

At the April 19th worksession, the HRA received an update on that progress from David Flaherty, and discussed the challenges with obtaining the financing necessary to commence construction as planned, and the challenges with coordinating the ramp addition in the absence of the simultaneous start of the apartments.

As a result of the discussion, the development team was directed to pursue options for the HRA to assist in the financing of the project and to present those potential solutions at a future meeting.

At the May 3rd worksession, the HRA considered a conceptual solution to participate in the financing to facilitate the commencement of the project. After considerable discussion, the HRA directed staff to prepare a more detailed analysis of this potential solution and present the results at the May 10th regular meeting. Stacie Kvilvang of Ehlers will be present for the meeting to discuss the financial analysis of the financing options.

Observations:

The development team has met with the HRA's legal counsel and financial consultants on several occasions over the last two weeks. There have also been several meetings with both F&C and their lender PNC. The development team has assembled a potential solution to the financing challenges, and would like to present this to the HRA for input on both the policy decisions surrounding this solution, and potential deal points that would need to be renegotiated with F&C.

The HRA's financial consultant has prepared an assessment of the proposed solution and a financial analysis of the various options to be presented and discussed during the meeting this evening.

Items to discuss include:

- Consider examples of similar projects
- Discuss the proposed solution for this project including options for funding the ramp addition and rail station concurrently.
- Consider renegotiation items on Purchase Agreement.

Depending on the direction provided, the HRA will need to consider the structure of a second amendment to the documents to provide the time necessary to modify the deal and commencement of the project.

Recommendation:

The development team recommends the HRA consider the above topics and provide direction as to proceeding with this project.

If appropriate, direct staff to prepare and execute a 30 day extension to the current purchase agreement to finalize the appropriate documents necessary for the chosen solution.

Funding Source:

N/A

Council Action:

Provide consensus direction to the development team as to a potential funding solution for the Flaherty and Collins project, and direct staff to prepare appropriate documents and proceed to renegotiate the existing purchase agreement.

Direct staff to prepare and execute an amendment to the existing purchase agreement extending the contingency and closing dates 60 days from their current dates.

Form Review

Inbox
Heidi Nelson

Reviewed By
Heidi Nelson

Date
05/05/2011 10:51 AM
Started On: 05/05/2011

Form Started By: Darren Lazan

Final Approval Date: 05/05/2011