

Councilmember \_\_\_\_\_ introduced the following resolution and moved for its adoption:

**RESOLUTION #19-047**

**RESOLUTION APPROVING THE ASSIGNMENT AND ASSUMPTION OF TAX INCREMENT FINANCING (TIF) AGREEMENT AND PLEDGE OF TIF NOTE**

**WHEREAS**, the City of Ramsey (the "City") entered into a Tax Increment Financing (TIF) Agreement, dated July 1, 2017 (the "TIF Agreement") with PSD, LLC, a Minnesota limited liability company (the "Developer").

**WHEREAS**, the Developer desires to assign its interest in the TIF Agreement pursuant to an Assignment and Assumption of Tax Increment Financing (TIF) Agreement (the "Assignment") by and between the Developer and BLIP II, LLC, a Minnesota limited liability company ("BLIP II") and has submitted to the City Council for its approval a draft of the Assignment.

**WHEREAS**, BLIP II has obtained a loan from Bremer Bank, a national banking association, in connection with the acquisition of the Project as defined in the TIF Agreement from the Developer.

**WHEREAS**, Bremer Bank is requiring that the TIF Note (as defined in the TIF Agreement) be pledged to Bremer Bank as security for its loan to BLIP II.

**WHEREAS**, pursuant to the TIF Agreement the pledge of the TIF Note to Bremer Bank is subject to the consent of the City.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Ramsey, Minnesota, as follows:

1. The City Council hereby approves the Assignment in substantially the form submitted, and the Mayor and the City Administrator are hereby authorized and directed to execute the Consent and Acknowledgement of the City to the Assignment on behalf of the City. In the absence of the Mayor or the City Administrator, any document authorized by this resolution to be executed may be executed by an acting or duly designated official.

2. The approval hereby given to the Assignment includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by the City officials authorized by this resolution to execute the Assignment. The execution of the Assignment by the appropriate officer or officers of the City shall be conclusive evidence of the approval of the Assignment in accordance with the terms hereof.

3. The City Council hereby approves the pledge of the TIF Note to Bremer Bank and the Mayor and the City Administrator are hereby authorized and directed to execute the Consent and Acknowledgement of the City to the Pledge Agreement between Bremer Bank and BLIP II

on behalf of the City. In the absence of the Mayor or the City Administrator, any document authorized by this resolution to be executed may be executed by an acting or duly designated official.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember \_\_\_\_\_ and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

and the following abstained:

and the following were absent:

Whereupon said resolution was declared duly passed and adopted by the Ramsey City Council this the 12<sup>th</sup> day of February, 2019.

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Mayor

**ATTEST:**

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City Clerk

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**ASSIGNMENT AND ASSUMPTION OF  
TAX INCREMENT FINANCING (TIF) AGREEMENT**

This instrument drafted by:  
Briggs and Morgan, Professional Association (MLI)  
2200 IDS Center  
80 South 8th Street  
Minneapolis, Minnesota 55402

1. **The Parties:**

(a) PSD, LLC, a Minnesota limited liability company, the Developer under a Tax Increment Financing (TIF) Agreement with the City of Ramsey, Minnesota, (the "City"), dated July 1, 2017 (the "TIF Agreement"), is hereinafter referred to as Assignor.

(b) BLIP II, LLC, a Minnesota limited liability company, hereinafter referred to as Assignee.

2. **Date:**

(a) This Assignment is dated and shall be effective on February 12, 2019 (the "Effective Date").

3. **Recitals:**

(a) Assignor is the recipient of certain real property and the beneficiary of a promise by the City pursuant to the TIF Agreement to pay the Developer certain amounts as provided therein.

(b) Assignor desires to assign all of its rights, duties, obligations and responsibilities under the TIF Agreement to Assignee and Assignee is willing to accept such rights, duties, obligations and responsibilities.

NOW THEREFORE, in consideration of the premises, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

4. **Assignment of TIF Agreement:** Assignor hereby assigns, transfers and quitclaims all rights, duties, obligations and responsibilities under the TIF Agreement to Assignee, subject to the terms of this Agreement. Assignee hereby accepts such rights and assumes such duties, obligations and responsibilities, subject to the terms of this Agreement.

5. **Covenants of Assignor:** Assignor warrants:

(a) Assignor is the owner of the Developer's interest in the TIF Agreement assigned by this instrument and all of the rights which the TIF Agreement purports to create, with full right to convey the same.

(b) The TIF Agreement is now unencumbered, valid, and in full force and effect in accordance with its terms.

(c) The City has not declared an Event of Default under the TIF Agreement.

6. **Mutual Covenants:**

(a) As a condition of the Assignment herein, Assignee hereby expressly assumes the obligations of Assignor under the TIF Agreement.

(b) Assignee hereby expressly subordinates its rights under this Assignment to the rights of the City under the TIF Agreement, and further expressly agrees to take no action in derogation of any other rights of the City under the TIF Agreement.

(c) Assignee acknowledges that it may not re-assign the Developer's rights under the TIF Agreement without the express prior written consent of the City.

7. **Covenants of Assignee:**

(a) The Assignee certifies that it has the qualifications and financial responsibility necessary and adequate to fulfill the obligations undertaken in the TIF Agreement by the Developer

(b) Assignee hereby agrees to indemnify and hold Assignor harmless from all claims by the City, its successors and assigns arising from and after the date hereof, whether under the TIF Agreement or in connection with the Project as defined therein.

8. **TIF Note:** As of the Effective Date the TIF Note (as defined in the TIF Agreement) shall be registered in the name of the Assignee.

9. **Assignee Default:** In the event Assignee defaults under the terms and obligations of the TIF Agreement assigned hereunder and does not cure the default in accordance with the terms of the TIF Agreement, Assignee acknowledges the City has the right pursue any remedies against the Assignee as provided in the TIF Agreement without any notice to and without seeking any remedy from the Assignor.

10. **Governing Law:** It is agreed that this Assignment shall be governed by, construed and enforced in accordance with the laws of the State of Minnesota.

11. **Attorneys Fees:** In the event that any action is filed in relation to this Assignment, the unsuccessful party in the action shall pay to the successful party, in addition to all the sums that either party may be called on to pay, a reasonable sum for the successful party's attorneys' fees.

12. **Partial Invalidity:** The invalidity of any portion of this Assignment will not and shall not be deemed to affect the validity of any other provision. In the event that any provision of this Assignment is held to be invalid, the parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision.

13. **Entirety of Agreement:** This Assignment shall constitute the entire agreement between the parties and any prior understanding or representation of any kind preceding

the date of this Assignment shall not be binding upon either party except to the extent incorporated in this Agreement.

14. **Modification:** Any modification of this Agreement or additional obligation assumed by either party in connection with this Assignment shall be binding only if placed in writing and signed by each party or an authorized representative of each party.

15. **Paragraph Headings:** The titles to the paragraphs of this Agreement are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Agreement.

16. **Execution in Counterparts:** This Agreement may be executed, acknowledged and delivered in any number of counterparts and each of such counterparts shall constitute an original but all of which together shall constitute one agreement.

IN WITNESS WHEREOF, each party to this Agreement has caused it to be executed on this \_\_\_\_ day of February, 2019.

ASSIGNOR:

PSD, LLC,  
a Minnesota limited liability company

By \_\_\_\_\_

Its \_\_\_\_\_

STATE OF MINNESOTA    )  
  ) SS  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of February, 2019, by \_\_\_\_\_, the \_\_\_\_\_, of PSD, LLC, a Minnesota limited liability company, on behalf of said company.

\_\_\_\_\_  
Notary Public

[Notarial Stamp]

ASSIGNEE:

BLIP II, LLC,  
a Minnesota limited liability company

By \_\_\_\_\_

Its \_\_\_\_\_

STATE OF MINNESOTA    )  
  ) SS  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of February, 2019, by \_\_\_\_\_, the \_\_\_\_\_, of BLIP II, LLC, a Minnesota limited liability company, on behalf of said limited liability company.

\_\_\_\_\_  
Notary Public

[Notarial Stamp]

**CONSENT AND ACKNOWLEDGMENT OF  
THE CITY OF RAMSEY**

The City of Ramsey, Minnesota, by its undersigned designated representatives, hereby expressly consents to the assignment of the Tax Increment Financing (TIF) Agreement to BLIP II, LLC pursuant to the foregoing Assignment of Tax Increment Financing (TIF) Agreement.

CITY OF RAMSEY, MINNESOTA

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
Administrator

STATE OF MINNESOTA    )  
                                  ) SS  
COUNTY OF ANOKA     )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of February, 2019, by John LeTourneau, the Mayor, and Kurt Ulrich, the Administrator, of the City of Ramsey, a Minnesota municipal corporation and political subdivision, on behalf of said city.

\_\_\_\_\_  
Notary Public

[Notarial Stamp]