

**66 WEST APARTMENTS  
HOUSING REDEVELOPMENT AGREEMENT**

**by and among**

**THE CITY OF EDINA, MINNESOTA,**

**THE HOUSING AND REDEVELOPMENT AUTHORITY  
OF THE CITY OF EDINA, MINNESOTA,**

**and**

**BEACON INTERFAITH HOUSING COLLABORATIVE**

**Dated as of  
April 5, 2016**

THIS DOCUMENT WAS DRAFTED BY:  
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EXHIBIT A	TIF Project Area Map
EXHIBIT A-1	Housing TIF District Map
EXHIBIT B	Final Development Plan
EXHIBIT C	Legal Description of Minimum Improvements Area
EXHIBIT D	Preliminary Project Budget
EXHIBIT E	Form of Project Funding Certificate
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EXHIBIT G	Certificate of Completion
EXHIBIT H	Memorandum of Agreement

## HOUSING REDEVELOPMENT AGREEMENT

**THIS HOUSING REDEVELOPMENT AGREEMENT** (this “Agreement”) is made and entered into this 5th day of April, 2016, among the **CITY OF EDINA, MINNESOTA**, a Minnesota statutory city (the “City”), the **HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF EDINA, MINNESOTA**, a public body corporate and politic organized and existing under the laws of the State of Minnesota (the “Authority”) and **BEACON INTERFAITH HOUSING COLLABORATIVE**, a Minnesota non-profit corporation (the “Developer”).

### RECITALS

**WHEREAS**, the capitalized terms used, but not defined, in these Recitals have the meanings given in Article I of this Agreement; and

**WHEREAS**, the City and the Authority have determined there exists a public interest in providing affordably-priced housing in the Southeast Edina Redevelopment Project Area (the “TIF Project Area”); and

**WHEREAS**, the City and the Authority have determined that the TIF Project Area also offers significant opportunity to support walkability in the Southdale district; and

**WHEREAS**, in October 2014, 66 West LLC, a limited liability company wholly owned by the Developer acquired the property legally described in Exhibit 1 (the “Property”) in the TIF Project Area, and proposes to develop 39 affordable efficiency apartment units that will be targeted to provide housing for teenagers and young adults who are homeless or formerly homeless (“the Project”); and

**WHEREAS**, in November 2014 the Edina City Council, in concurrence with the Metropolitan Council, approved the re-zoning of the Property and modified the Comprehensive Plan to allow this type of use on the Property; and

**WHEREAS**, the Project will be developed consistent with Resolution 2014-139 and Ordinance 2014-17 allowing affordable housing with supportive services; and

**WHEREAS**, the Project will be designed to encourage increased walkability in the Southdale district; and

**WHEREAS**, the Project will be developed in accordance with the requirements of Minnesota Statutes Sections 469.174 through 469.1794 (the “TIF Act”); and

**WHEREAS**, the Project is estimated to cost approximately \$11,200,000; and

**WHEREAS**, the Developer has arranged funding, including grants and other financial assistance, necessary to construct the Project; and

**WHEREAS**, the Project will be owned by 66 West Housing LP, which has 66 West LLC, a limited liability company owned by the Developer as its general partner; and

**WHEREAS**, the Developer is requesting \$500,000 plus an amount not to exceed \$50,000 for reimbursable expenses, for a maximum of \$550,000, in tax increment from the City as reflected in the “Preliminary Project Budget” (attached as Exhibit D); and

**WHEREAS**, the City will establish a new housing TIF district pursuant to the TIF Act that will include the Property (the “Housing TIF District”); and

**WHEREAS**, the City may utilize additional tax increment from the Housing TIF District to provide public infrastructure improvements the City deems beneficial to the Project; and

**WHEREAS**, the City recognizes that, pursuant to Minn. Stat. § 273.138, the Developer will file with the Minnesota Housing Finance Agency an application for certification of the Property as class 4d low-income rental property under Minn. Stat. § 273.13, subdivision 25 or any successor or comparable statute (“LIRC Classification”); and

**WHEREAS**, the City has agreed to act as sponsor for a Metropolitan Council Livable Communities Demonstration Account (LCDA) grant for the Project; and

**WHEREAS**, the City has agreed to make the Metropolitan Council LHIA Grant available to the Project; and

**WHEREAS**, the City will commence the establishment of the Housing TIF District; and

**WHEREAS**, the Agreement is applicable only to the development of the Project on the Property.

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

## **ARTICLE I DEFINITIONS**

**Section 1.1 Definitions.** All capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

“**Agreement**” means this Housing Redevelopment Agreement.

“**Architect**” means UrbanWorks Architecture.

“**Authority**” means the Edina Housing and Redevelopment Authority.

“**Authority Representative**” means the Executive Director of the Authority or his or her designee.

“**Board**” means the Board of Commissioners of the Authority.

“**Certificate of Completion**” means the certificate specified in Section 4.5 and in substantially the form attached as Exhibit G, signed by the Authority Representative.

“**City**” means the City of Edina.

“**City Consultants**” means the financial, engineering, legal, TIF eligibility and other similar advisors to the City and the Authority regarding the Project.

“**City Council**” means the Edina City Council.

“**City Parties**” means the City and the Authority, and their respective members, employees, agents, independent contractors and attorneys.

“**Closing**” means July 1, 2016 or another date agreed to by the Parties.

“**Commencement**” means the date on which actual physical construction of the Project begins.

“**Commencement Date**” means the date of Commencement.

“**Completion**” means Developer receipt of a Certificate of Completion.

“**Completion Date**” means the date a Certificate of Completion with respect to the final building within any Phase of the Minimum Improvements.

“**County**” means the County of Hennepin, Minnesota.

“**Cure Rights**” means the rights to cure a Default as specified in Section 10.4.

“**Default**” means an act or omission by the City, the Authority or the Developer which becomes an Event of Default under this Agreement if it is not cured.

“**Developer**” means Beacon Interfaith Housing Collaborative.

“**Development Contract**” means the contract between the Developer and the City regarding the Final Development Plan.

“**Draw Request**” means a request for payment of tax increment assistance made by the Developer to the Authority in accordance with Section 4.3 and consistent with the form attached as Exhibit F.

“**Eligible Reimbursable Expenses**” mean the Owner’s Project-related activities eligible for TIF Assistance, as specified in Section 4.3 and as authorized by this Agreement and the TIF Act.

“**Environmental Law**” means any federal, state or local law, rule, regulation, ordinance, or other legal requirement relating to (a) a Release or threatened Release of any Hazardous Material, (b) pollution or protection of public health or the environment or (c) the manufacture, handling, transport, use, treatment, storage, or disposal of Hazardous Materials.

**“Event of Default”** means any of the events by the City, the Authority or the Developer described in Article XI.

**“Final Development Plan”** means the approvals granted by the City Council under resolution NO. 2014-139 on November 18, 2014, as shown in Exhibit B.

**“Financing Commitment”** means a commitment from a mortgage lender for the Project in a form reasonably satisfactory to the Authority.

**“Fully Enclosed”** means that the shell of the Project has been completed, including the installation of all windows and siding, as certified by the Architect.

**“Hazardous Material”** means petroleum, asbestos-containing materials, and any substance, waste, pollutant, contaminant or material that is defined as hazardous or toxic in any Environmental Law.

**“Housing TIF District”** or **“District”** means the new 66 West Tax Increment Financing District (a housing district) that will be established by the City and the Authority pursuant to the TIF Act, as shown in Exhibit A-1.

**“HRA Act”** means Minnesota Statutes, Sections 469.001 to 469.047, as amended.

**“LCDA Grant”** means the grant from the Metropolitan Council to the City in the anticipated amount of \$900,000.

**“LCDA Loan”** means the loan in the amount of \$900,000 which the City intends to make to Owner with the LCDA Grant.

**“LHIA Grant”** means the grant from the Metropolitan Council to the City in the anticipated amount of \$400,000.

**“LHIA Loan”** means the loan in the amount of \$400,000 which the City intends to make with the LHIA Grant.

**“Limited Partner”** means the Minnesota Equity Fund, or its affiliate.

**“Master Disbursement Agreement”** means the agreement by and among the Owner, the Developer, the City, Family Housing Fund, Minnesota Housing Finance Agency, Hennepin County, Hennepin County Housing and Redevelopment Authority, [Construction Lender, ]and Title.

**“Memorandum of Agreement”** means that memorandum of agreement required under Section 11.13 and in substantially the form attached as Exhibit H.

**“Mortgage”** means any mortgage loan that is secured, in whole or in part, by any portion of the Property and which is an approved encumbrance under Article VI.

**“Owner”** means 66 West Housing LP, a Minnesota limited partnership.

“**Project**” means the 39 affordable efficiency apartment units that will be developed under this Agreement in accordance with the Final Development Plan.

“**Project Funding Certificate**” mean the certificate (in the form attached as Exhibit E) required to be delivered by the Developer to the City and the Authority in accordance with Section 4.2.

“**Redevelopment Plan**” means the redevelopment plan for the Southeast Edina Redevelopment Project Area adopted by the Authority pursuant to Resolution No. 2016-03 in accordance with Minnesota Statutes, Section 469.027 and approved by the City Council pursuant to Resolution No. 2016-40 in accordance with Minnesota Statutes, Sections 469.028 and 469.175, subdivision 3.

“**State**” means the State of Minnesota.

“**Tax Increment**” means the tax increment from the Housing TIF District as calculated in accordance with the TIF Act.

“**TIF**” means tax increment financing.

“**TIF Act**” means Minnesota Statutes, Sections 469.174 to 469.1799, as amended.

“**TIF Payment**” means the payment by the Authority to the Developer of amounts derived from Tax Increment in accordance with Article IV of this Agreement.

“**TIF Plan**” means the Tax Increment Financing plan for the Housing TIF District to be adopted by the Authority in accordance with the TIF Act.

“**TIF Project Area**” means the defined term “Southeast Edina Redevelopment Project Area”.

“**TIF Project Area Map**” means the map depicting the TIF Project Area, attached as Exhibit A.

“**Title**” means Land Title, Inc.

“**Transfer**” means 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 Project property or any part thereof or any interest therein, or any contract or agreement to do any of the same, to any person or entity.

“**Unavoidable Delays**” means delays, outside the control of the party claiming its occurrence, which are the direct result of (a) unusually severe or prolonged bad weather, (b) acts of God, fire or other casualty to the Project, (c) litigation commenced by third parties which directly results in delays, (d) acts of any federal, State, or local government unit which directly result in delays, (e) strikes, other labor trouble, (f) acts of war or terrorism, or (g) delays in delivery of materials for the Project.

**ARTICLE II  
REPRESENTATIONS AND WARRANTIES**

**Section 2.1 Representations and Warranties of the City.** The City makes the following representations and warranties:

- (a) The City is a Minnesota municipal corporation and has the power to enter into this Agreement and carry out its obligations hereunder. The City has duly authorized the execution, delivery and performance of this Agreement.
- (b) Other than items disclosed by the City to the Developer before the execution of this Agreement, there is not pending, nor to the best of the City's knowledge is there threatened, any suit, action or proceeding against the City before any court, arbitrator, administrative agency or other governmental authority that materially and adversely affects the validity of any of the transactions contemplated hereby, the ability of the City to perform its obligations hereunder, or as contemplated hereby or thereby, or the validity or enforceability of this Agreement.
- (c) To the best of the City's knowledge and belief, no member of the City Council or officer of the City, has either a direct or indirect financial interest in this Agreement, nor will any City Councilmember or officer of the City, benefit financially from this Agreement within the meaning of Minnesota Statutes, Section 469.009, as amended.
- (d) The City will reasonably cooperate with the Developer with respect to any litigation commenced by third parties with respect to the Project; however, this provision does not obligate the City to incur costs, except as otherwise provided in this Agreement or elsewhere.
- (e) The execution, delivery and performance of this Agreement, and any other documents, instruments or actions required or contemplated pursuant to this Agreement by the City does not, and consummation of the transactions contemplated therein and the fulfillment of the terms thereof will not conflict with or constitute on the part of the City a breach of or default under any existing agreement or instrument to which the City is a party or violate any law, charter or other proceeding or action establishing or relating to the establishment and powers of the City or its officers, officials or resolutions.

**Section 2.2 Representations and Warranties of the Authority.** The Authority makes the following representations and warranties:

- (a) The Authority is a public body corporate and politic and a governmental subdivision of the State, duly organized and existing under State law and the Authority has the authority to enter into this Agreement and carry out its obligations hereunder.
- (b) The execution, delivery and performance of this Agreement and any other documents or instruments required pursuant to this Agreement by the Authority does not, and consummation of the transactions contemplated therein and the fulfillment of the terms thereof will not, conflict with or constitute on the part of the Authority a breach of or default under any existing (i) indenture, mortgage, deed of trust or other agreement or

instrument to which the Authority is a party or by which the Authority or any of its property is or may be bound, or (ii) legislative act, constitution or other proceeding establishing or relating to the establishment of the Authority or its officers or its resolutions.

(c) Other than items disclosed by the Authority to the Developer before execution of this Agreement, there is not pending, nor to the best of the Authority's knowledge is there threatened, any suit, action or proceeding against the Authority before any court, arbitrator, administrative agency or other governmental authority that materially and adversely affects the validity of any of the transactions contemplated hereby, the ability of the Authority to perform its obligations hereunder, or as contemplated hereby or thereby, or the validity or enforceability of this Agreement.

(d) To the best of the Authority's knowledge and belief, no member of the Board of the Authority or officer of the Authority, has either a direct or indirect financial interest in this Agreement, nor will any Commissioner of the Authority or officer of the Authority, benefit financially from this Agreement within the meaning of Minnesota Statutes, Section 469.009, as amended.

(e) The Authority will reasonably cooperate with the Developer with respect to any litigation commenced by third parties with respect to the Project; however, this provision does not obligate the Authority to incur costs, except as otherwise provided in this Agreement or elsewhere.

**Section 2.3 Representations and Warranties of the Developer.** The Developer represents and warrants that:

(a) The Developer is a non-profit corporation organized and in good standing under the laws of the State, is not in violation of any provisions of its operating agreement or other organizational documents or the laws of the State, has power to enter into this Agreement and has duly authorized the execution, delivery and performance of this Agreement by proper action of its members.

(b) The execution and delivery of this Agreement and the consummation of the transactions contemplated thereby, and the fulfillment of the terms and conditions thereof do not and will not conflict with or result in a breach of any of the terms or conditions of the Developer's organizational documents, any restriction or any agreement or instrument to which the Developer is now a party or by which it is bound or to which any property of the Developer is subject, and do not and will not constitute a default under any of the foregoing or a violation of any order, decree, statute, rule or regulation of any court or of any state or Federal regulatory body having jurisdiction over the Developer or its properties, including its interest in the Project, and do not and will not result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of the Developer contrary to the terms of any instrument or agreement to which Developer is a party or by which it is bound.

- (c) To the best of the Developer's knowledge and belief, the execution and delivery of this Agreement will not create a conflict of interest prohibited by Minnesota Statutes, Section 469.009, as amended.
- (d) 66 West LLC, which is wholly owned by the Developer, currently has fee title to the Property and 66 West LLC will transfer title to the Property to the Owner.
- (e) The Developer would not develop the Project but for the execution of this Agreement and the TIF Assistance for the Eligible Reimbursable Expenses and other public assistance contemplated.
- (f) The Developer will reasonably cooperate with the City and the Authority with respect to any litigation commenced by third parties with respect to the Project; however, this provision does not obligate the Developer to incur costs, except as otherwise provided in this Agreement or elsewhere.
- (g) Other than items disclosed by the Developer to the City and the Authority before execution of this Agreement, there are no pending or threatened legal proceedings, of which the Developer has notice, contemplating the liquidation or dissolution of the Developer or threatening its existence, or seeking to restrain or enjoin the transactions contemplated by the Agreement, or questioning the authority of the Developer to execute and deliver this Agreement or the validity of this Agreement.
- (h) The Developer has not received any notice from any local, state or federal official that the activities of the Developer or the Authority with respect to the Property may or will be in violation of any Environmental Law, except as has been identified in any report, audit, inspection or survey, undertaken by or provided to the City and the Authority. The Developer is not aware of any state or federal claim filed or planned to be filed by any party relating to any violation of any local, state or federal Environmental Law, regulation or review procedure, and the Developer is not aware of any violation of any local, state or federal law, regulation or review procedure which would give any person a valid claim under any Environmental Law, including the Minnesota Environmental Rights Act or the Minnesota Environmental Policy Act.
- (i) The Developer reasonably expects that the Owner will be able to obtain financing in the amount shown on Exhibit D, which amounts will be sufficient to fund the Project.
- (j) The Developer represents and warrants that it will not, without the consent of the City, voluntarily take any action to reduce the amount of ad valorem taxes generated from the Property during the term of the Housing TIF District, except that the Owner may apply for LIRC Classification;
- (k) The Developer represents that no more than twenty percent of the square footage of the Project will consist of commercial, retail, or other nonresidential uses, pursuant to Minnesota Statutes § 469.1761, subd. 1(a)(2), as amended.
- (l) The Developer represents and warrants, pursuant to Minnesota Statutes § 469.1761, subd. 3, as amended, that for the duration of the Housing TIF District it will

cause the Owner to have at least forty percent of the residential units in the Project occupied by individuals whose income is sixty percent or less of area median gross income.

### **ARTICLE III LAND USE AND DEVELOPMENT CONTROLS**

**Section 3.1 Restrictions on Development.** The Developer may not construct or permit construction on the Project until the Developer satisfies the following conditions:

- (a) The Developer obtains approval of the Final Development Plan for the Project;
- (b) The Developer satisfies all of the conditions established by the City in the Final Development Plan for the Project;
- (c) The Developer satisfies all of the conditions in the Development Contract; and
- (d) The Developer provides the City a Master Disbursement Agreement, acceptable to the City, that demonstrates that there are sufficient funds available for construction of the Project.

**Section 3.2 Zoning and Land Use Approvals.** Nothing in this Agreement shall limit the authority of the City with respect to zoning and land use approvals. Subject to the foregoing, the staff of the City and the Authority shall cooperate with the Developer and assist the Developer in the processing and obtaining of zoning and land use approvals. The Developer, on behalf of the Owner, shall be responsible for applying for and obtaining all land use and zoning approvals necessary for the Project. All zoning and land use approvals shall be by the City Council or the City Planning Commission in accordance with the ordinances of the City.

**Section 3.3 Building and Construction Permits.** Nothing in this Agreement shall limit the governmental authority of the City with respect to its building and construction permitting process for the Project. The Developer shall cause the Owner to comply with all applicable City building codes and construction requirements, shall be responsible for obtaining all building permits prior to construction, and shall pay all required City fees.

**Section 3.4 City/Authority Approval.** Unless the City Council determines otherwise in its discretion, whenever this Agreement provides for approval by the City or the Authority, such approval shall be given by, respectively, the City Manager or the Executive Director of the Authority (or in either case his/her designee), unless (a) this Agreement explicitly provides for approval by the City Council or the Board of the Authority, (b) approval by the Council or Board is required by law or (c) the approval, in the opinion of the City Manager or the Executive Director, would result in a material change in the terms of this Agreement.

**ARTICLE IV**  
**ASSISTANCE FOR CONSTRUCTION OF THE PROJECT**

**Section 4.1 Commencement and Completion of the Project.**

- (a) The Project includes construction of 39 efficiency apartments targeted to provide affordable housing for teenagers and young adults who are homeless or formerly homeless.
- (b) Project Commencement and Completion. The Developer must achieve Commencement of the Project and must be Fully Enclosed as a condition precedent to the full TIF Payment as specified in Section 4.3.
- (c) Project Timeline. The Developer will commence construction of the Project no later than December 31, 2016 and complete construction no later than December 31, 2017.

**Section 4.2 Project Financing.** The Developer shall certify to the City and the Authority no later than September 1, 2016, that all the Project funding sources identified in Exhibit E (and in amounts in substantial compliance with Exhibit D and, in any event, sufficient to complete the Project) have been received by (or otherwise remain available to) the Developer by delivering the Project Funding Certificate to the City and the Authority. The Developer shall enter into a Master Disbursement Agreement for the disbursement by Title of the TIF and other funds for completion of the Project.

**Section 4.3 Tax Increment Assistance for Construction of the Project.**

- (a) Upon establishment of the Housing TIF District and delivery to the City and the Authority of the Project Funding Certificate, the Authority shall provide tax increment assistance for construction of the Project in the amount of \$500,000 (plus reimbursable tax increment expenses) by means of the following payments:

Closing	\$250,000
The Project is Fully Enclosed	\$250,000

The funds shall be deposited with Title and disbursed pursuant to the Master Disbursement Agreement.

- (b) In addition, the Developer shall receive a payment of up to \$25,000 upon commencement of construction as reimbursement for payments made pursuant to Section 5.1 below. The Developer shall receive an additional payment at completion of construction for reimbursement of payments made under Section 5.1, provided that the total reimbursement under this Section 4.3(b) shall not exceed \$50,000.

**Section 4.4 Loans.**

- (a) The City agrees to make the LHIA Loan to the Owner provided that it receives the LHIA Grant from the Metropolitan Council. The LHIA Loan shall be for a term of thirty

(30) years and shall not bear interest. The LHIA Loan shall be subject to the terms of the Grant Agreement between the City and the Metropolitan Council.

(b) The City agrees to make the LCDA Loan to the Owner provided that it receives the LCDA Grant from the Metropolitan Council. The LCDA Loan shall be for a term of thirty (30) years and shall not bear interest. The LCDA Loan shall be subject to the terms of the Grant Agreement between the City and the Metropolitan Council.

**Section 4.5 Additional Responsibilities of the Developer.**

(a) The Developer will ensure the Project is constructed, operated and maintained in substantial accordance with the terms of this Agreement and all local, State, and federal laws and regulations (including, but not limited to zoning, building code and public health laws and regulations).

(b) The Developer will 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 Project may be lawfully constructed.

(c) The Developer will not construct any building or other structures on, over, or within the boundary lines of any public utility easement unless such construction is provided for in such easement or has been approved by the utility involved.

(d) The Developer will comply or assure compliance with all applicable Environmental Law as they relate to the Property and the Project.

(e) The Developer will provide the Authority annually with evidence satisfactory to the Authority that all required income restrictions have been met for the annual period immediately preceding.

**Section 4.6 Certificate of Completion.** The Developer shall notify the Authority when the final certificate of occupancy is received for the Project. Upon receipt of the final certificate of occupancy for the Project, the Authority will furnish to the Owner a recordable Certificate of Completion in the form shown in Exhibit G, certifying the completion of the Project. The Certificate of Completion shall conclusively satisfy and terminate the agreements and covenants of the Developer in this Agreement to construct the Project covered by the Certificate of Completion.

**ARTICLE V  
DEVELOPER REIMBURSEMENT OBLIGATIONS**

**Section 5.1 Developer Reimbursement Obligations.** The Developer is obligated to pay all out of pocket costs of the City and the Authority for the City Consultants in connection with the Project, including but not limited to costs of the development of this Agreement, the Redevelopment Plan, the TIF Plan and creation of the Housing TIF District, the Final Development Plan, the Development Contract, fiscal analysis, legal fees and all costs and expenses related thereto. The Developer is also obligated to pay to the City Two Thousand and

No/100 Dollars (\$2,000) to cover the internal City staff costs related to establishing the Housing TIF District. The Developer must pay such costs monthly upon presentation of invoices and other documentation of such costs, not more than thirty (30) days after the request for payment is delivered to the Developer. All such costs will be Eligible Reimbursable Expenses.

## **ARTICLE VI ENCUMBRANCE OF MINIMUM IMPROVEMENTS AREA**

### **Section 6.1 Encumbrance of the Property.**

(a) Until the Completion Date of the Project, neither the Developer, nor any successor in interest to the Developer, will engage in any financing or any other transaction creating any mortgage (a “Mortgage”) or other encumbrance or lien upon the Property, or portion thereof, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Property except for the purpose of obtaining funds only to the extent necessary for constructing and developing the Project (including, but not limited to, land and building acquisition, labor and materials, professional fees, real estate taxes, construction interest, organization, marketing and other direct or indirect costs of Project, costs of constructing the Project, and an allowance for contingencies).

(b) This restriction on encumbrance shall terminate with respect to the Project, upon delivery of the Certificate of Completion for the Project. The Developer or any successor in interest to the Project or portion thereof, may not sell or engage in financing or any other transaction creating a mortgage or encumbrance or lien on the Project until receipt of the Certificate of Completion has been obtained, without obtaining the prior written approval of the Authority.

**Section 6.2 Copy of Notice of Default to Mortgagee.** If the Authority delivers any notice or demand to the Developer, or any successor in interest to the Developer, with respect to any Event of Default under this Agreement, the Authority will use its best efforts to also deliver a copy of such notice or demand to the mortgagee of any Mortgage at the address of such mortgagee provided to the Authority in a written notice from the Developer, any successor in interest to the Developer or the mortgagee, provided that failure of the Authority to give any such notice shall not limit the Authority’s ability to exercise any of its remedies hereunder.

**Section 6.3 Mortgagee’s Option to Cure Events of Default.** Upon the occurrence of an Event of Default, the mortgagee under any Mortgage will have the right at its option, to cure or remedy such Event of Default within the cure periods set forth herein. An individual or entity who acquires title to the Project through the foreclosure of a mortgage or deed in lieu of foreclosure on the Property remains subject to each of the restrictions set forth in this Agreement and remains subject to all of the obligations of the Developer, or any successor in interest to the Developer, under the terms of this Agreement, but the purchaser at a foreclosure sale or grantee under a deed in lieu of foreclosure shall have no personal liability for a breach of such obligations under this Agreement so long as:

(a) The party acquiring title through foreclosure or deed in lieu of foreclosure observes all of the restrictions set forth in the Agreement;

- (b) The party who acquired title through foreclosure or deed in lieu of foreclosure does not undertake or permit any other party to undertake any redevelopment on the Property;
- (c) The City has no obligation to approve any plans for the Project for the foreclosing mortgagee (or mortgagee obtaining a deed in lieu of foreclosure) owns or to issue any related building permits.

The purpose of this Section is to permit a foreclosing lender (or mortgagee obtaining a deed in lieu of foreclosure) to hold title to the Property it acquires through foreclosure or deed in lieu of foreclosure, subject to, but without personal liability for the obligations under this Agreement, until it can sell the portion it holds to a third party who will assume the obligations of the Developer under the terms of this Agreement and proceed with the construction of the Project pursuant to the terms of this Agreement. If, rather than passively holding title to the portion of the Property it acquires through foreclosure or deed in lieu of foreclosure, the foreclosing lender (or mortgagee obtaining a deed in lieu of foreclosure) or other purchaser at a foreclosure sale desires to sell the Property for construction of the Project, the purchaser at the foreclosure sale (or mortgagee obtaining a deed in lieu of foreclosure) must assume and perform each of the obligations of the Developer, or the applicable successor to the interest of the Developer, under this Agreement. This Section does not restrict the authority of the Authority to pursue its rights under any outstanding security, exercise remedies otherwise available under this Agreement or suspend the performance of the obligations of the Authority or the Developer under this Agreement as otherwise allowed. The Authority agrees to reasonably cooperate with any foreclosing lender (or mortgagee obtaining a deed in lieu of foreclosure) or other purchaser at a foreclosure sale in pursuing the Project in accordance with this Agreement, including evaluation of such person as a successor to the rights of the Developer hereunder and taking appropriate actions to allow the benefits and rights hereunder to be realized by such person, should the Authority approve such person as a successor in accordance with this Agreement.

**Section 6.4 Defaults Under Mortgage.** The Developer, or its successor or assign, will use its best efforts to obtain an agreement from any mortgagee under a Mortgage that in the event the Developer is in default under any Mortgage, the mortgagee will use its best efforts, within ten (10) days after it becomes aware of any such default and prior to exercising any remedy available to it due to such default, to notify the Authority in writing of (i) the fact of default; (ii) the elements of default; and (iii) the actions required to cure the default. The Developer, or its successor or assign, will use its best efforts to obtain an agreement in any such Mortgage, that if, within the time period required by the Mortgage, the Authority cures any default under the Mortgage, the mortgagee will pursue none of its remedies under the Mortgage based on such default.

**Section 6.5 Subordination of Agreement.** In order to facilitate the obtaining of financing for the construction of the Minimum Improvements, the Authority agrees to subordinate the provisions hereof to the documents executed in connection with any Mortgage securing a Financing Commitment, provided that such subordination shall not deprive the Authority or otherwise limit any of the Authority's remedies which do not create a lien on the Property upon the occurrence of an Event of Default by the Developer.

**Section 6.6 Unit Mortgages.** The provisions of this Article do not apply to loans and mortgages to a purchaser of a unit in a common interest community within the Project.

## **ARTICLE VII INSURANCE AND CONDEMNATION**

### **Section 7.1 Insurance.**

(a) The Developer, and any successor in interest to the Developer, shall obtain and continuously maintain insurance on the Project and, from time to time at the request of the Authority, furnish proof to the Authority that the premiums for such insurance have been paid and the insurance is in effect. The insurance coverage described below is the minimum insurance coverage that the Developer must obtain and continuously maintain, provided that the Developer shall obtain the insurance described in clause (i) below prior to the Commencement of construction of the Project:

(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 Project at the date of Completion, and with coverage available in non-reporting form on the so-called "all risk" form of policy.

(ii) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance) together with an Owner's/Contractor's Policy naming the Authority, and the City as an additional insured, with limits against bodily injury and property damage of not less than \$2,500,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used), written on an occurrence basis.

(iii) Workers compensation insurance, with statutory coverage.

(b) All insurance required in this Article shall be obtained and continuously maintained in responsible insurance companies selected by the Developer or its successors that are authorized under the laws of the State to assume the risks covered by such policies. Unless otherwise provided in this Article, each policy must contain a provision that the insurer will not cancel nor modify the policy without giving written notice to the insured 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 Developer, or its successor or assign, must renew the existing policy or replace the policy with another policy conforming to the provisions of this Article. In lieu of separate policies, the Developer or its successor or assign, may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein.

(c) The Developer, its successor or assign, agrees to notify the Authority promptly in the case of damage exceeding \$250,000 in amount to, or destruction of the Project from fire or other casualty.

**Section 7.2 Condemnation.** In the event that title to or possession of the Property or the Project, or both, or any material part thereof, is threatened with a taking through the exercise of the power of eminent domain, the Developer, or its successor or assign, will notify the Authority of the threatened taking with reasonable promptness. The Developer, or its successor or assign, will cooperate with the Authority if the Authority elects to assert any interests the Authority may have in the Property and the Project in any condemnation action undertaken against the Property and the Project.

## **ARTICLE VIII DEVELOPER COVENANTS**

**Section 8.1 Maintenance and Operation of the Property.** The Developer and its successors or assigns will, at all times during the term of this Agreement, maintain and operate the Project in a safe and secure way and in compliance with this Agreement and all federal, State and local laws, regulations, rulings and ordinances applicable thereto. The Developer, or its successors or assigns, will pay all of the reasonable and necessary expenses of the operation and maintenance of the Project, including all premiums for insurance insuring against loss or damage thereto and adequate insurance against liability for injury to persons or property arising from the construction of the Project as required pursuant to this Agreement. During construction of the Project, the Developer, or its successors or assigns, shall not knowingly cause any person working in or attending the Project for any purpose, or any tenant of the Project, to be exposed to any hazardous or unsafe condition; provided that such party shall not be in Default hereunder if it has required the contractors employed to perform work on the Project to take such precautions as may be available to protect the persons in and around the Project from hazards arising from the work, and has further required each such contractor to obtain and maintain liability insurance protecting against liability to persons for injury arising from the work. The expenses of operation and maintenance of the Project shall be borne solely by the Developer, its successors or assigns.

**Section 8.2 Business Subsidy Agreement.** The Authority and the Developer agree that the Project is exempt from the requirement for entering into a business subsidy agreement within the meaning of the Minnesota Business Subsidy Act, Minnesota Statutes, Sections 116J.993 through 116J. 995, because the TIF Payment provides assistance for housing within the meaning of Minnesota Statutes, Section 116J.993, subd. 3(7).

## **ARTICLE IX TRANSFER LIMITATIONS AND INDEMNIFICATION**

**Section 9.1 Representation as to the Project.** The Developer represents to the City and the Authority that 66 West LLC's purchase of the Property, and its other undertakings under this Agreement, are for the purpose of developing the Project and not for the purpose of speculation in land holding. The Developer acknowledges that, in view of the importance of the Project to the general welfare of the City and the Authority, and the substantial financing and other public aids that have been made available by the City and the Authority for the purpose of making the Project possible, the qualifications and identity of the Developer are of particular concern to the Authority. The Developer further acknowledges that the City and the Authority

are willing to enter into this Agreement with the Developer because of the qualifications and identity of the Developer.

**Section 9.2 Limitations on Transfer.** Until the issuance of a Certificate of Completion and unless the Developer remains bound by all provisions of this Agreement:

(a) The Developer, 66West LLC, and its successors and assigns will not sell, assign, convey, lease or transfer in any other mode or manner any of its right, title, and interest in and to this Agreement, the Property or the Project, without the express written approval of the Authority, provided that the consent of the Authority shall not be required for any of the following:

- (i) granting of a mortgage or other security interests in the Project as provided in Article VI hereof;
- (ii) the sale of units within a common interest community;
- (iii) leasing the Project in the normal course of business in a manner consistent with the corresponding Final Development Plan and Development Contract; and
- (iv) a transfer to Owner.

(b) As a condition to approval by the City and the Authority of the transfer of the Property, the Developer shall satisfy the following conditions, if required by the Authority. The Authority shall be entitled to require, as conditions to approval of any sale, assignment, conveyance, use or transfer of any rights, title, and interest in and to this Agreement, the Property or the Project that:

- (i) Any proposed transferee shall have the qualifications and financial responsibility, as determined by the Authority, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer;
- (ii) Any proposed transferee, by instrument in writing satisfactory to the Authority and in form recordable among the land records shall, for itself and its successors and assigns, and expressly for the benefit of the Authority have expressly assumed all of the obligations of the Developer under this Agreement and agree to be subject to all the conditions and restrictions to which the Developer is subject;
- (iii) The Developer must submit all instruments and other legal documents involved in effecting transfer to the Authority for review and written approval, which shall not be unreasonably withheld;
- (iv) The Developer and its transferee must comply with such other conditions as the Authority may find desirable in order to achieve and safeguard the purposes of the HRA Act and TIF Act, this Agreement, and the Project; and
- (v) The transferee must demonstrate, in a manner satisfactory to the City and the Authority, its ability to perform all assumed obligations in this Agreement.

In the absence of specific written agreement by the City and the Authority to the contrary, no such transfer or approval by the City and the Authority thereof shall be deemed to relieve the Developer or any other party bound in any way by this Agreement or otherwise with respect to its obligations under this Agreement.

**Section 9.3 Indemnification.**

(a) The Developer and its successors and assigns release and covenant and agree that the City Parties shall not be liable for and agree, jointly and severally, to indemnify and hold harmless the City Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Project constructed by the Developer to the extent not attributable to the negligence of the City Parties.

(b) Except for negligence or willful misconduct of the City Parties, the Developer and its successors and assigns agree to indemnify the City Parties, now and forever, and further agrees to hold the aforesaid harmless from any claims, demands, suits, costs, expenses (including reasonable attorney's fees), actions or other proceedings whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of the Developer (or if other persons acting on their behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project constructed by the Developer; provided, that this indemnification shall not apply to the warranties made or obligations undertaken by the Authority in this Agreement.

**Section 9.4 Limitation.** All covenants, stipulations, promises, agreements and obligations of the City, the Authority or the Developer contained in this Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City, the Authority and the Developer, and not of any governing body member, officer, agent, servant or employee of the City, the Authority or the Developer in the individual capacity thereof.

**ARTICLE X  
EVENTS OF DEFAULT AND REMEDIES**

**Section 10.1 Events of Default Defined.** Subject to applicable cure periods, "Events of Default" under this Agreement include any one or more of the events listed in Sections 10.2 and 10.3.

**Section 10.2 Developer Events of Default.** The following shall be Events of Default for the Developer or its successors and assigns:

- (a) subject to Unavoidable Delays and Cure Rights, the Developer or its successors or assigns fail to Commence or Complete the Project in accordance with this Agreement;
- (b) the Developer or its successors or assigns is in default under the provision of the Development Contract;

(c) there is, in violation of this Agreement, any conveyance, encumbrance or other transfer of the Property or any part thereof, and such violation is not cured within 30 days after written demand by the Authority to the Developer or its successors or assigns;

(d) subject to Cure Rights, failure by the Developer or its successors or assigns to observe or perform any other covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement, and the continuation of such failure for a period of thirty (30) days after written notice of such failure from any party hereto; and

(e) prior to the delivery of the Certificate of Completion, the Developer or its successors or assigns 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) become insolvent or adjudicated a bankrupt; or if a petition or answer proposing the adjudication of Developer, as a 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 Developer, or of the Project, or part thereof, shall be appointed in any proceeding brought against Developer, and shall not be discharged within ninety (90) days after such appointed, or if Developer shall consent to or acquiesce in such appointment.

**Section 10.3 City and Authority Events of Default.** Subject to Unavoidable Delays, the failure of the City or the Authority to observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement, and the continuation of such failure for a period of thirty (30) days after written notice of such failure from any party hereto shall be an Event of Default for the City or the Authority.

**Section 10.4 Cure Rights.** Notwithstanding the foregoing, if the Default reasonably requires more than thirty (30) days to cure, such Default shall not constitute an Event of Default, provided that the curing of the Default is promptly commenced upon receipt by the defaulting party of the notice of the Default, and with due diligence is thereafter continuously prosecuted to completion and is completed within a reasonable period of time, and provided that the defaulting party keeps the non-defaulting party well informed at all times of its progress in curing the Default; provided in no event shall such additional cure period extend beyond 180 days.

**Section 10.5 Authority Remedies on Events of Default.** Whenever any Event of Default occurs by the Developer or its successors or assigns, the Authority may take any one or more of the following actions:

(a) terminate this Agreement except as otherwise provided herein;

(b) suspend performance under this Agreement until it receives assurances from the Developer, deemed adequate by the Authority, that the Developer will cure the Default and continue its performance under this Agreement, withhold the Certificate of Completion for the Project, and take whatever action at law or in equity may appear

necessary or desirable to the Authority to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement; and

(c) the Authority shall have all remedies normally available at law and in equity to enforce performance of this Agreement including a right to specific performance.

**Section 10.6 City Remedies on Events of Default.** Whenever any Event of Default occurs by the Developer or its successors or assigns, the City may suspend performance of its obligations under this Agreement and take whatever action at law or in equity may appear necessary or desirable to the City to enforce performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement, including an action for specific performance.

**Section 10.7 Developer Remedies on City or Authority Events of Default.** Whenever any Event of Default occurs by the City or the Authority, the Developer, may take whatever action at law or in equity may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of the City or the Authority under this Agreement, including an action for specific performance.

**Section 10.8 No Remedy Exclusive.** No remedy herein conferred upon or reserved to the City, the Authority or the Developer is intended to be exclusive of any other available remedy or remedies unless otherwise expressly stated, 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. In order to entitle the Authority to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be required in this Article X.

**Section 10.9 No Additional Waiver Implied by One Waiver.** If any agreement contained in this Agreement should be breached by any party and thereafter waived by another 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 10.10 Reimbursement of Attorneys' Fees.** In the event of any enforcement action hereunder following an Event of Default, the prevailing party, in addition to other relief, shall be entitled to an award of attorney's fees and costs.

## **ARTICLE XI ADDITIONAL PROVISIONS**

**Section 11.1 Conflicts of Interest.** No member of the Board or other official of the Authority shall have any financial interest, direct or indirect, in this Agreement, the Housing TIF District or the Project, or any contract, agreement or other transaction contemplated to occur or be undertaken thereunder or with respect thereto, nor shall any such member of the governing body or other official participate in any decision relating to the Agreement which affects his or

her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City or the Authority shall be personally liable to the City or the Authority in the event of any Default or breach by Developer or successor or on any obligations under the terms of this Agreement.

**Section 11.2 Titles of Articles and Sections.** Any titles of the several parts, Articles and Sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

**Section 11.3 Notices and Demands.** Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by any party to any other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and in the case of the Developer, is addressed to or delivered personally to the Developer at:

Beacon Interfaith Housing Collaborative  
Attn: Lee Blons  
2610 University Avenue West, Suite 100  
St. Paul, MN 55114

with a copy to: Angela M. Christy  
Faegre Baker Daniels LLP  
2200 Wells Fargo Center  
90 South Seventh Street  
Minneapolis, MN 55402

with a copy to: Minnesota Equity Fund  
1118 South Washington Avenue  
Lansing, MI 48910

In the case of the Authority, is addressed to or delivered personally to the Authority at:

Edina Housing and Redevelopment Authority  
Attention: Executive Director  
4801 W. 50<sup>th</sup> Street  
Edina, MN 55424

with a copy to: Jay R. Lindgren  
Dorsey & Whitney LLP  
50 South Sixth Street, Suite 1500  
Minneapolis, MN 55402

In the case of the City, is addressed to or delivered personally to the City at:

City of Edina  
Attention: City Manager  
4801 W. 50<sup>th</sup> St.  
Edina, MN 55424

with a copy to:

Jay R. Lindgren  
Dorsey & Whitney LLP  
50 South Sixth Street, Suite 1500  
Minneapolis, MN 55402

or at such other address with respect to any such party as that party may, from time to time, designate in writing and forward to the other, as provided in this Section.

**Section 11.4 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

**Section 11.5 Law Governing.** This Agreement will be governed and construed in accordance with the laws of the State of Minnesota.

**Section 11.6 Legal Opinions.** Upon execution of this Agreement, each party shall, upon request of the other parties, supply the other parties with an opinion of its legal counsel to the effect that this Agreement is legally issued or executed by, and valid and binding upon, such party, and enforceable in accordance with its terms.

**Section 11.7 Consents and Approvals.** In all cases where consents or approvals are required hereunder, such consents or approvals shall not be unreasonably conditioned, delayed or withheld. All consents or approvals shall be in writing in order to be effective.

**Section 11.8 Representatives.** Except as otherwise provided herein, all approvals and other actions required of or taken by the Authority shall be effective upon action by the Authority Representative. All actions required of or taken by the Developer shall be effective upon action by a duly authorized officer of its general partner.

**Section 11.9 Superseding Effect.** This Agreement reflects the entire agreement of the parties with respect to the items covered by this Agreement, and supersedes in all respects all prior agreements of the parties, whether written or otherwise, with respect to the items covered by this Agreement.

**Section 11.10 Relationship of Parties.** Nothing in this Agreement is intended, or shall be construed, to create a partnership or joint venture among or between the parties hereto, and the rights and remedies of the parties hereto shall be strictly as set forth in this Agreement.

**Section 11.11 Term.** The term of this Agreement shall be effective from the day and year first above written until the earlier of (a) the date this Agreement is terminated, or (b) date of termination of the Housing TIF District.

**Section 11.12 Provisions Surviving Rescission or Expiration.** Section 9.4 shall survive any rescission, termination or expiration of this Agreement with respect to or arising out of any event, occurrence or circumstance existing prior to the date thereof.

**Section 11.13 Memorandum of Agreement.** Neither party shall cause this Agreement to be recorded or filed in the real estate records of Hennepin County. However, the Developer will cause a Memorandum of Agreement to be so recorded or filed at Closing upon the Property in the form attached hereto as Exhibit H.

**Section 11.14 Conflicts Between this Agreement and the Development Contract.** In the event of any inconsistency or conflict between the requirements of this Agreement and a Development Contract, the provisions of the Development Contract shall control; provided, however, that for the purposes of Section 6.3 of this Agreement regarding Defaults that authorize the Authority to withhold payments on any TIF Assistance, this Agreement controls. Except with respect for such inconsistent provisions, neither agreement is intended to amend or supersede the other agreement.

**IN WITNESS WHEREOF**, the City, the Authority and the Developer have caused this Agreement to be duly executed in their names and on their behalf, all on or as of the date first above written.

**CITY OF EDINA,  
MINNESOTA**

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

By \_\_\_\_\_  
Its City Manager

STATE OF MINNESOTA    )  
  ) ss.  
COUNTY OF HENNEPIN    )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of April, 2016, by James Hovland and Scott Neal, the Mayor and City Manager respectively, of the City of Edina, Minnesota, on behalf of the City of Edina.

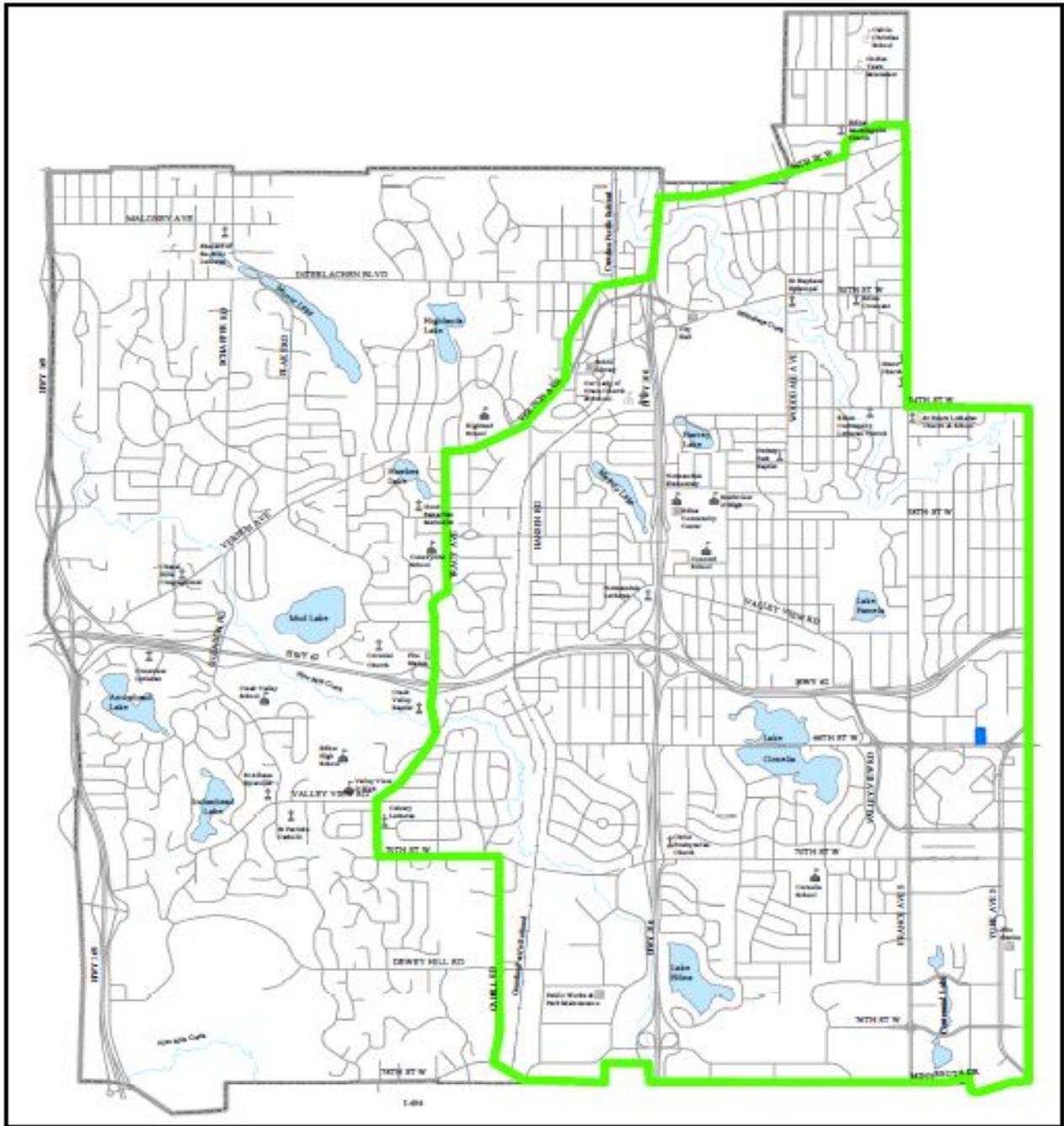
\_\_\_\_\_  
Notary Public





# EXHIBIT A

## TIF Project Area Map



### Southeast Edina Redevelopment Project Area and Housing TIF District



 Project Area  
 Housing TIF District

  
Engineering Dept.  
December, 2015

**EXHIBIT A-1**

**66 West TIF District Map**



**Housing TIF District**



Housing TIF District

3330 66th St W  
Edina, MN 55435  
PID 29-028-24-24-0030



Engineering Dept.  
December, 2015

# EXHIBIT B

## Final Development Plan



PLANNING DEPARTMENT  
 SEP 12 2014  
 CITY OF EDINA



2 SOUTH ELEVATION  
 SCALE: 1/8" = 1'-0"



3 WEST ELEVATION  
 SCALE: 1/8" = 1'-0"

66 West  
 Apartments  
 232 West 9th Street, Edina



NO ARCHITECTURAL REVIEW, RATE AS  
 MINNEAPOLIS, MN 55402  
 612.466.0000

CONSULTANT

PRELIMINARY  
 NOT FOR  
 CONSTRUCTION

REVISIONS

#	Date	Description

DATE	06.11.2014
PROJECT #	14-0001
PHASE	232 WEST 9TH STREET
DRAWN BY	MM
CHECKED BY	MM

BUILDING  
 ELEVATIONS

A301

Copyright © 2014 Urban Design Group, Inc.

PLANNING DEPARTMENT  
 SEP 1 9 2014  
 CITY OF EDINA



2 NORTH ELEVATION  
 SCALE: 1/4" = 1'-0"



1 EAST ELEVATION  
 SCALE: 1/4" = 1'-0"

66 West  
 Apartments  
 330 W. S. West, Edina



301 NORTH THIRD STREET, SUITE 100  
 MINNEAPOLIS, MN 55415  
 612.338.1111  
 WWW.URBANWORKSLLC.COM

PRELIMINARY  
 NOT FOR  
 CONSTRUCTION

REVISIONS  
 # Date Description

DATE: 08-10-2014  
 PROJECT # 14-00004  
 DRAWN BY: JRM  
 CHECKED BY: JRM

BUILDING  
 ELEVATIONS

A302

WWW.URBANWORKSLLC.COM

## **EXHIBIT C**

### **Property Legal Description**

The South 300 feet of Lot 2, as measured along the West line of said lot from the Southwest corner thereof in Block 3, Southdale Acres, Hennepin County, Minnesota. Torrens Property Certificate of Title No. 361393.

**EXHIBIT D**

**Preliminary Project Budget**

**66 West Apartments Summary Budget**

**10/21/2015**

**Project Description**

Existing Building Size	18,145	Sq Ft	
Addition Size	10,458	Sq Ft	
Total Square Footage	28,603	Sq Ft	
Units	39	Units	100%

**Capital Funding Estimate and Status**

<i>Uses</i>	Building	Per Unit	% of total	
Acquisition	\$2,200,000	\$56,410	20%	
Construction: Dwelling Unit Space	\$5,660,000	\$145,128	51%	
Construction: Non Dwelling Unit Space	\$0	\$0	0%	
Construction: Landscaping	\$0	\$0	0%	
Contingency	\$396,000	\$10,154	4%	
Architect	\$180,000	\$4,615	2%	
Holding Costs/Interest/Taxes	\$440,000	\$11,282	4%	
Reserves	\$240,000	\$6,154	2%	
Other Soft Costs	\$2,090,195	\$53,595	19%	
<b>Total Development Cost</b>	<b>\$11,206,195</b>	<b>\$287,338</b>		
<i>Sources</i>	Building	Per Unit	% of total	Committed
Syndication Proceeds	\$2,680,892	\$68,741	24%	x
Minnesota Housing	\$5,008,303	\$128,418	45%	x
Sales Tax Rebate	\$140,000	\$3,590	1%	x
ECLC and Private Funds	\$202,000	\$5,179	2%	x
Hennepin County HOME/AHIF/TOD	\$800,000	\$20,513	7%	x
Energy Rebates	\$25,000	\$641	0%	x
Met Council LCDA	\$900,000	\$23,077	8%	
Edina Pooled TIF	\$550,000	\$14,103	5%	x
Met Council LHIA	\$400,000	\$10,256	4%	x
Family Housing Fund	\$227,000	\$5,821	2%	x
Federal Home Loan Bank	\$273,000	\$7,000	2%	
<b>Total Sources</b>	<b>\$11,206,195</b>	<b>\$287,338</b>		

**EXHIBIT E**

**Form of Project Funding Certificate**

BEACON INTERFAITH HOUSING COLLABORATIVE, a Minnesota non-profit corporation (“the “Developer”) has entered into that certain 66 WEST APARTMENTS HOUSING REDEVELOPMENT AGREEMENT with and among the CITY OF EDINA, MINNESOTA (the “City”) and the HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF EDINA, MINNESOTA (the “Authority”), dated effective as of April 5, 2016 (the “Agreement”).

The Developer certifies to the Authority, pursuant to Section 4.2 of the Agreement, that the funding sources identified in Exhibit 1, attached hereto, have been fully committed and available to the Developer for the construction of the Project.

Dated:

DEVELOPER:

BEACON INTERFAITH HOUSING  
COLLABORATIVE  
a Minnesota non-profit corporation

By \_\_\_\_\_  
Its \_\_\_\_\_

**EXHIBIT F**

**Form of Draw Request**

TO:           Housing and Redevelopment Authority of the City of Edina

FROM:        Beacon Interfaith Housing Collaborative

DATE:        \_\_\_\_\_

RE:           Draw Request

BEACON INTERFAITH HOUSING COLLABORATIVE, a Minnesota non-profit corporation (“the “Developer”) has entered into that certain 66 WEST APARTMENTS HOUSING REDEVELOPMENT AGREEMENT with and among the CITY OF EDINA, MINNESOTA (the “City”) and the HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF EDINA, MINNESOTA (the “Authority”), dated effective as of April 5, 2016 (the “Agreement”).

The undersigned requests assistance for construction of the Project in the amount specified in Section 4.3 of the Agreement for [Closing/ Completion of Construction/Reimbursement of Eligible Expenses], and certifies that all conditions precedent to release by the Authority to the Developer of [\$\_\_\_\_\_] under the Agreement have been satisfied. The funds shall be directly deposited with Land Title, Inc. and disbursed pursuant to the Master Disbursement Agreement.

Dated:

DEVELOPER:

BEACON INTERFAITH HOUSING  
COLLABORATIVE  
a Minnesota non-profit corporation

By \_\_\_\_\_  
Its \_\_\_\_\_

## **EXHIBIT G**

### **Certificate of Completion**

BEACON INTERFAITH HOUSING COLLABORATIVE, a Minnesota non-profit corporation (“the “Developer”), pursuant to the 66 West Apartments Housing Redevelopment Agreement with and among the CITY OF EDINA, MINNESOTA (the “City”) and the HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF EDINA, MINNESOTA (the “Authority”), dated effective as of April 5, 2016 (the “Agreement”), has agreed to cause 66 West Housing LP (“Owner”) to complete the Project, as defined in and in accordance with the Agreement, on that certain real property (the “Property”) located in Hennepin County, Minnesota, described in Exhibit C attached hereto.

A. The Owner has substantially completed construction of the Project as required under the Agreement.

B. The issuance of this Certificate of Completion by the City and the Authority is not intended nor shall it be construed to be a warranty or representation by the City or the Authority as to the structural soundness of the Project, including, but not limited to, the quality of materials, workmanship or the fitness of the Project for its proposed use.

NOW THEREFORE, this is to certify that all construction and other physical improvements specified to be done and made by the Owner with regard to the Project have been substantially completed, and the provisions of the Agreement imposing obligations on the Developer to construct the Project as required under the Agreement are hereby satisfied and terminated, and the County Recorder and Registrar of Titles in and for the County of Hennepin and State of Minnesota are hereby authorized to record this instrument, to be a conclusive determination of the satisfactory termination or said provisions of the Agreement.

Dated:

CITY:

CITY OF EDINA, MINNESOTA

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

By \_\_\_\_\_  
Its City Manager

REVIEWED AND APPROVED

By \_\_\_\_\_  
City Attorney

STATE OF MINNESOTA )  
 ) ss.  
COUNTY OF \_\_\_\_\_)

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2017,  
by James Hovland and Scott Neal, the Mayor and City Manager, respectively, of the CITY OF  
EDINA, MINNESOTA, a Minnesota municipal corporation, on behalf of the City.

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



## EXHIBIT H

### Memorandum of Agreement

THIS MEMORANDUM OF 66 WEST APARTMENTS HOUSING REDEVELOPMENT AGREEMENT (this “Memorandum”) is entered into as of \_\_\_\_\_, 2016 by and among the CITY OF EDINA, MINNESOTA, a Minnesota municipal corporation (“City”), the HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF EDINA, MINNESOTA, a public body corporate and politic organized under the laws of the State of Minnesota (“Authority”), and 66 WEST HOUSING LP, a Minnesota limited partnership.

#### RECITALS:

A. City, Authority, and Beacon Interfaith Housing Collaborative (the “Developer”) (collectively, the “Parties”) have entered into a certain Redevelopment Agreement dated as of April 5, 2016 (the “Agreement”), whereby the Parties have agreed to various aspects of the redevelopment of certain real property more particularly described in Exhibit A attached hereto and made a part hereof, together with all improvements, tenements, easements, rights and appurtenances pertaining to such real property, lying and being in Hennepin County, Minnesota (the “Property”).

B. The Developer has transferred the Property to 66 West Housing LP, a Minnesota limited partnership.

C. The Parties wish to give notice of the existence of the Agreement.

#### AGREEMENT:

NOW, THEREFORE, in consideration of the sum of One and 00/100 Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The above Recitals are incorporated by reference as if fully set forth herein.
2. Capitalized terms, when not defined herein, shall have the meanings ascribed to them in the Agreement.
3. The Parties have entered into the Agreement to set forth the terms and provisions governing the redevelopment of the Property.
4. This Memorandum has been executed and delivered by the Parties for the purpose of recording and giving notice that a contractual relationship for the redevelopment of the Property has been created between the Parties in accordance with the terms, covenants, and conditions of the Agreement.
5. The terms and conditions of the Agreement are incorporated by reference into this Memorandum as if fully set forth herein.

6. This Memorandum may be executed separately in counterparts which, when taken together, shall constitute one and the same instrument.

Dated:

CITY:

CITY OF EDINA, MINNESOTA

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

By \_\_\_\_\_  
Its City Manager

STATE OF MINNESOTA )  
 ) ss.  
COUNTY OF \_\_\_\_\_)

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2016, by James Hovland and Scott Neal, the Mayor and City Manager, respectively, of the CITY OF EDINA, MINNESOTA, a Minnesota municipal corporation, on behalf of the City.

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



