

CITY OF SHAKOPEE

RESOLUTION NO. R2021-130

RESOLUTION APPROVING A FIRST AMENDMENT TO THE
CONTRACT FOR PRIVATE REDEVELOPMENT WITH THE
ECONOMIC DEVELOPMENT AUTHORITY FOR THE CITY OF
SHAKOPEE, MINNESOTA, CANTERBURY DEVELOPMENT LLC,
AND CANTERBURY PARK HOLDING CORPORATION

WHEREAS, the Economic Development Authority for the City of Shakopee, Minnesota (the “Authority”) was created pursuant to Minnesota Statutes, Sections 469.090 through 469.1082, as amended, and was authorized to transact business and exercise its powers by a resolution of the City Council of the City of Shakopee, Minnesota (the “City”); and

WHEREAS, the City has previously established and the Authority administers Tax Increment Financing (Redevelopment) District No. 18 (the “TIF District”) within the Minnesota River Valley Housing and Redevelopment Project No. 1 located within the City (the “Project Area”), pursuant to Minnesota Statutes, Sections 469.001 through 469.047, as amended; and

WHEREAS, the Authority and the City have identified the need to redevelop land located in the Project Area (the “Redevelopment Property”), which is owned by Canterbury Development LLC, a Minnesota limited liability company (“Canterbury Development”), and Canterbury Park Holding Corporation, a Minnesota corporation and the parent of Canterbury Development (“Canterbury Park Holding Corporation,” and together with Canterbury Development, the “Master Developer”); and

WHEREAS, the Master Developer, the Authority, and the City have entered into a Contract for Private Development, dated August 8, 2018 (the “Original Agreement”), pursuant to which (i) the Master Developer agreed to undertake infrastructure improvements within the Project Area, including but not limited to the development of public streets, utilities, sidewalks, and other public infrastructure (the “Developer Improvements”) as part of the redevelopment of the Redevelopment Property for housing, commercial/retail, hospitality and destination entertainment, and office space purposes as part of a multi-phased project (the “Redevelopment Project”); (ii) the City agreed to undertake certain public improvements in connection with the Redevelopment Project (the “City Improvements”); (iii) the Authority agreed to pay a portion of the costs of the Developer Improvements and the City Improvements with tax increment generated from the TIF District; and (iv) the Authority agreed to issue a tax increment revenue note in the maximum principal amount of \$23,336,500 to reimburse the Master Developer for qualified public redevelopment costs and

WHEREAS, on April 21, 2020, the City Council of the City (the “City Council”) adopted a resolution authorizing the execution and delivery of an amendment to the Original Agreement, but the amendment was never executed by the parties; and

WHEREAS, there has been presented before the City Council a new version of the First Amendment to Contract for Private Redevelopment (the “First Amendment to Agreement”) proposed to be entered into between the City, the Authority, and the Master Developer, which amends the Original Agreement to include the additional property to be acquired by the Master Developer, to set forth the additional projects to be undertaken by the City, to reallocate the tax increment payable by the Authority to the costs of the improvements to be undertaken by the Master Developer and the City, and to provide for the

issuance to the Master Developer of the Authority's tax increment revenue note in a maximum principal amount of \$17,592,881 to reimburse the Master Developer for qualified public redevelopment costs; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Shakopee that:

1. The City Council approves the new version of the First Amendment to Agreement in substantially the form on file in City Hall, and the Mayor and the City Administrator are hereby authorized and directed to execute and deliver the First Amendment to Agreement. All of the provisions of First Amendment to Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The First Amendment to Agreement shall be substantially in the form on file with the City which is hereby approved, with such omissions and insertions as do not materially change the substance thereof, or as the Mayor and the City Administrator, in their discretion, shall determine, and the execution thereof by the Mayor and the City Administrator shall be conclusive evidence of such determination.

2. This resolution shall be effective upon full execution of the First Amendment to Agreement.

Approved by the City Council of the City of Shakopee this 7th day of September, 2021.

Mayor

ATTEST:

City Clerk