

ECONOMIC DEVELOPMENT AUTHORITY FOR THE
CITY OF SHAKOPEE, MINNESOTA

RESOLUTION NO. E2022-005

RESOLUTION AUTHORIZING EXECUTION OF A SECOND
AMENDMENT TO TAX INCREMENT PLEDGE AGREEMENT
WITH THE CITY OF SHAKOPEE RELATING TO GENERAL
OBLIGATION TAX INCREMENT REVENUE BONDS

WHEREAS, the City of Shakopee, Minnesota (the “City”) has established and the Economic Development Authority for the City of Shakopee, Minnesota (the “Authority”) administers Tax Increment Financing (Redevelopment) District No. 18 (the “TIF District”) within the Minnesota River Valley Housing and Redevelopment Project No. 1 (the “Redevelopment Project”), pursuant to Minnesota Statutes, Sections 469.174 through 469.1794, as amended (the “TIF Act”), and the Authority and the City have approved a Tax Increment Financing Plan for the TIF District; and

WHEREAS, the City, the Authority, Canterbury Development LLC, a Minnesota limited liability company (“Canterbury Development”), and Canterbury Park Holding Corporation, a Minnesota corporation and parent company of Canterbury Development (“Canterbury Park Holding Corporation,” and together with Canterbury Development, the “Master Developer”), have entered into a Contract for Private Redevelopment, dated August 8, 2018, as amended by the First Amendment to Contract for Private Redevelopment, dated September 7, 2021 (as amended and as may be further amended, the “TIF Contract”), pursuant to which the Master Developer agreed to undertake infrastructure improvements within the Redevelopment Project as part of the redevelopment of the property located in the TIF District for housing, commercial/retail, hospitality and destination entertainment, and office space purposes as part of a multi-phased project in the City, and the City agreed to undertake certain public improvements and infrastructure projects in connection therewith; and

WHEREAS, pursuant to the authority conferred by Section 469.178 of the TIF Act and Minnesota Statutes, Chapter 475, as amended (collectively, the “Act”), on October 17, 2019, the City issued its General Obligation Tax Increment Revenue Bonds, Series 2019A (the “Series 2019A Bonds”), in the original aggregate principal amount of \$4,200,000, to reimburse certain public redevelopment costs incurred by the City in the Redevelopment Project related to public improvements made to 12th Avenue in the City and to pay the costs of issuance of the Series 2019A Bonds; and

WHEREAS, the City and the Authority entered into a Tax Increment Pledge Agreement, dated October 17, 2019 (the “Original Pledge Agreement”), relating to the payment of principal of and interest on the Series 2019A Bonds and providing for the pledge of tax increment revenues generated from the TIF District to secure the payment of principal of, premium, if any, and interest on the Series 2019A Bonds; and

WHEREAS, pursuant to the Act, on July 2, 2020, the City issued its General Obligation Tax Increment Revenue Bonds, Series 2020A (the “Series 2020A Bonds”), in the original aggregate principal amount of \$8,165,000, to reimburse additional public redevelopment costs incurred by the City in the Redevelopment Project, including public improvements to Unbridled Avenue in the City, and to pay costs of issuing the Series 2020A Bonds; and

WHEREAS, the City and the Authority entered into a First Amendment to Tax Increment Pledge Agreement, dated July 2, 2020 (the “First Amendment to Pledge Agreement”), which amended the

Original Pledge Agreement, relating to the payment of principal of and interest on the Series 2020A Bonds and providing for the pledge of tax increment revenues generated from the TIF District to secure the payment of principal of, premium, if any, and interest on the Series 2020A Bonds; and

WHEREAS, the City intends to finance and reimburse additional public redevelopment costs, including the projects that are reimbursable with tax increment from the TIF District and described in Exhibit C attached to the TIF Contract, and has proposed to issue additional general obligation tax increment revenue bonds pursuant to the Act in the proposed principal amount of \$5,910,000 (the "Series 2022A TIF Bonds"), which will be part of the City's General Obligation Bonds, Series 2022A; and

WHEREAS, there has been presented to the Board of Commissioners of the Authority (the "Board") a Second Amendment to Tax Increment Pledge Agreement (the "Second Amendment to Pledge Agreement") between the Authority and the City, which amends the Original Pledge Agreement, as amended by the First Amendment to Pledge Agreement, relating to the payment of principal of and interest on the Series 2022A TIF Bonds and providing for the pledge of tax increment revenues generated from the TIF District to secure the payment of principal of, premium, if any, and interest on the Series 2022A TIF Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Economic Development Authority for the City of Shakopee, Minnesota that:

1. The Board hereby approves the pledge of tax increment revenues attributable to the TIF District to the City for the payment of principal of, premium, if any, and interest on the Series 2022A TIF Bonds.

2. The President and Executive Director of the Authority are hereby authorized to execute and deliver the Second Amendment to Pledge Agreement substantially in the form on file with the Board, providing for the pledge of tax increment derived from property in the TIF District for the payment of the principal of, premium, if any, and interest on the Series 2022A TIF Bonds.

3. The electronic signature of the President and/or the Executive Director to this resolution and to the Second Amendment to Pledge Agreement shall be as valid as an original signature of such party and shall be effective to bind the Authority thereto. For purposes hereof, (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message.

4. This resolution shall be effective as of the date hereof.

Sworn and Executed Under My Hand this 5th day of April, 2022.

President

Executive Director

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