

ECONOMIC DEVELOPMENT AUTHORITY FOR THE
CITY OF SHAKOPEE, MINNESOTA

RESOLUTION NO. E2019-012

RESOLUTION APPROVING FIRST AMENDMENT TO CONTRACT
FOR PRIVATE REDEVELOPMENT AND APPROVING THE
CONVEYANCE OF CERTAIN REAL PROPERTY TO GAUGHAN
SHAKOPEE LLC AND

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 the Minnesota River Valley Housing and Redevelopment Project No. 1 (the “Project”) located within the City, pursuant to Minnesota Statutes, Sections 469.001 through 469.047, as amended, and has caused to be created a Redevelopment Plan (the “Redevelopment Plan”) therefor; and

WHEREAS, the Board of Commissioners of the Authority (the “Board”) has adopted a modification of the Redevelopment Plan and has approved a tax increment financing plan, as amended, for Tax Increment Financing District No. 19, a redevelopment district; and

WHEREAS, the Authority and the City have identified the need to redevelop land located in the Project (the “Redevelopment Property”), which is owned by the Authority; and

WHEREAS, on July 3, 2018, the Authority approved the execution of a Contract for Private Redevelopment (the “Original Contract”) with Gaughan Development LLC, a Minnesota limited liability company (the “Redeveloper”), pursuant to which the Redeveloper agreed to acquire the Redevelopment Property and develop approximately 125 market-rate luxury apartment units, including underground parking, and 3,500 square feet of commercial space (the “Minimum Improvements”); and

WHEREAS, the Redeveloper now intends to develop an additional 50 units of market-rate luxury apartments as part of the Minimum Improvements and to acquire from the Authority the property legally described in EXHIBIT A attached hereto (the “Additional Parcels”) as part of the Redevelopment Property on which the Minimum Improvements will be constructed; and

WHEREAS, before the Authority may sell the Additional Parcels to the Redeveloper, the Board must conduct a public hearing on the proposed sale in accordance with Minnesota Statutes, Section 469.105, as amended; and

WHEREAS, on the date hereof, the Board conducted a duly noticed public hearing on the conveyance of the Additional Parcels to the Redeveloper, in accordance with Minnesota Statutes, Section 469.105, subdivision 2; and

WHEREAS, the Authority and the Redeveloper have proposed to amend the Original Contract to provide for the conditions for redevelopment of the additional 50 apartments units as part of the Minimum Improvements and to include the Additional Parcels as part of the Redevelopment Property; and

WHEREAS, there has been presented before this Board a First Amendment to Contract for Private Redevelopment (the "Amended Contract") proposed to be entered into between the Authority and the Redeveloper, which sets forth the proposed amendments to the Original Contract; and

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 approves the Amended Contract in substantially the form on file in City Hall. The President and Executive Director are hereby authorized and directed to execute and deliver the Amended Contract. All of the provisions of Amended Contract, 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 Amended Contract shall be substantially in the form on file with the Authority which is hereby approved, with such omissions and insertions as do not materially change the substance thereof, or as the President and the Executive Director, in their discretion, shall determine, and the execution thereof by the President and the Executive Director shall be conclusive evidence of such determination.

2. The conveyance of the Additional Parcels to the Redeveloper as contemplated by the Amended Contract is advisable and is in all respects authorized, approved, and confirmed.

3. The President and Executive Director are hereby authorized to execute any other documents or certificates deemed necessary to carry out the intention of this resolution.

4. This resolution shall be effective upon full execution of the Amended Contract.

Sworn and Executed Under My Hand this 7th day of August, 2019.

President

Executive Director

EXHIBIT A

LEGAL DESCRIPTION OF ADDITIONAL PARCELS

The South ½ of Lot 5, Block 7, CITY OF SHAKOPEE, according to the recorded plat thereof on file in the office of the County Recorder, in and for Scott County, Minnesota.

The North ½ of Lot 5, Block 7, CITY OF SHAKOPEE, according to the recorded plat thereof on file in the office of the County Recorder, in and for Scott County, Minnesota.