

CITY OF SHAKOPEE, MINNESOTA

RESOLUTION NO. 7879

**RESOLUTION APPROVING THE LOAN OF A MINNESOTA
INVESTMENT FUND GRANT TO ANCHOR GLASS
CONTAINER CORPORATION AND THE EXECUTION OF
RELATED DOCUMENTS**

WHEREAS, Anchor Glass Container Corporation, a Delaware corporation (the “Borrower”), owns and operates a facility (the “Facility”) located at 4108 Valley Industrial Boulevard North in the City of Shakopee, Minnesota (the “City”); and

WHEREAS, the Borrower has requested financial assistance to help purchase machinery and equipment needed for the operation of it’s the Facility; and

WHEREAS, pursuant to a resolution adopted on September 6, 2016, the City Council of the City (the “City Council”) approved the submission of an application for a grant from the Minnesota Investment Fund Program administered by the Minnesota Department of Employment and Economic Development (“DEED”); and

WHEREAS, the City will enter into a Grant Agreement with DEED to obtain grant funds in the amount of \$400,000 and loan such grant funds to the Borrower for the purpose of purchasing machinery and equipment for the Facility; and

WHEREAS, there has been presented before the City Council a Loan Agreement – Minnesota Investment Fund (the “Loan Agreement”), proposed to be entered into between the City and the Borrower, providing for the loan of the grant funds in the amount of \$400,000 to the Borrower (the “MIF Loan”) and a loan from the City’s Revolving Loan Fund in the amount of \$65,000 (the “City Loan”), which agreement includes a “business subsidy agreement” as defined in Minnesota Statutes, Sections 166J.993 to 116J.995, as amended (the “Business Subsidy Act”); and

WHEREAS, it is proposed that the MIF Loan and the City Loan be considered forgivable provided that the Borrower complies with certain requirements of the business subsidy agreement contained in the Loan Agreement; and

WHEREAS, to evidence the repayment obligations of the Borrower under the Loan Agreement, the Borrower will execute and deliver to the Authority a Promissory Note (the “Note”), and a Guaranty (the “Guaranty”); and

WHEREAS, the City Council has had the opportunity to review the Loan Agreement, including the business subsidy agreement contained therein, the Note, and the Guaranty (collectively, the “Loan Documents”); and

WHEREAS, the City Council held a public hearing regarding the granting of a business subsidy on September 6, 2016; and

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

1. The Loan Documents are hereby approved. The Mayor and the City Administrator are authorized and directed to execute the Loan Documents in substantially the form on file in City Hall, subject to modifications that do not alter the substance of the transaction and are approved by the Mayor and the City Administrator; provided that execution of the Loan Documents will be conclusive evidence of their approval.

2. The Mayor and the City Administrator are hereby authorized to execute any other documents or certificates deemed necessary to carry out the transactions described in the Loan Documents and the intention of this resolution.

Adopted by the City Council of the City of Shakopee, Minnesota this 2nd day of May, 2017.

Mayor

ATTEST:

City Clerk