

**THE RAMSEY COUNTY HOUSING & REDEVELOPMENT AUTHORITY
COUNTY OF RAMSEY
STATE OF MINNESOTA**

**RESOLUTION NO. ____ PROVIDING FOR A PUBLIC HEARING
REGARDING A MULTIFAMILY HOUSING DEVELOPMENT AND
GRANTING PRELIMINARY APPROVAL TO THE ISSUANCE OF CONDUIT
REVENUE BONDS TO FINANCE THE COSTS THEREOF (WILDER SQUARE
APARTMENTS PROJECT)**

Section 1. Recitals.

1.01. The Ramsey County Housing & Redevelopment Authority (the “HRA”) is a body corporate and politic and political subdivision duly organized and existing under the Constitution and laws of the State of Minnesota.

1.02. Pursuant to Minnesota Statutes, Chapter 462C, as amended (the “Act”), and the HRA has been authorized by the Board of Ramsey County, Minnesota (the “County”) to exercise, on behalf of the County the powers conferred by Minnesota Statutes, Section 462C.01 to 462C.081 to issue revenue bonds to provide funds to finance multifamily rental housing developments located within the HRA.

1.03. CB Wilder Square Limited Partnership, a Minnesota limited partnership (or another entity affiliated with CommonBond Communities, a Minnesota nonprofit corporation, the “Borrower”) has proposed that the HRA issue its revenue bonds or other obligations in the approximate aggregate principal amount of up to \$17,000,000, in one or more series, bearing taxable or tax exempt interest at fixed and/or variable rates, to be offered publicly and/or privately placed (the “Bonds”).

1.04. The proceeds of the Bonds are proposed to be loaned by the HRA to the Borrower to be applied by the Borrower to (i) finance the acquisition, renovation, and equipping of an approximately 136-unit multifamily rental housing development and functionally related amenities located at 750 Milton Avenue North in Saint Paul, Minnesota (the “Project”); (ii) fund one or more reserve funds to secure the timely payment of the Bonds, if necessary; (iii) pay interest on the Bonds during the renovation of the Project, if necessary; and (iv) pay the costs of issuing the Bonds.

1.05. As a condition to the issuance of the Bonds, the HRA must adopt a housing program providing the information required by Section 462C.03, subdivision 1a of the Act (the “Housing Program”). Under Section 462C.04, subdivision 2 of the Act, a public hearing must be held on the housing program after one publication of notice in a newspaper circulating generally in the HRA at least 15 days before the hearing.

1.06. Under Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), prior to the issuance of the Bonds, the Board of Commissioners must conduct a public hearing after one publication of notice in a newspaper circulating generally in the HRA at least 15 days before the hearing.

1.07. Under Section 146 of the Code, the Bonds must receive an allocation of the bonding authority of the State of Minnesota. An application for such an allocation must be made pursuant to the requirements of Minnesota Statutes, Chapter 474A, as amended (the “Allocation Act”). Prior to the submission of an application to the State of Minnesota Management and Budget for an allocation of bonding authority with respect to the Bonds to finance the Project, the HRA must grant preliminary approval to the issuance of the Bonds to finance the Project.

Section 2. Preliminary Findings. Based on representations made by the Borrower to the HRA to date, the Board of Commissioners hereby makes the following preliminary findings, determinations, and declarations:

(a) The Project consists of the acquisition, renovation, and equipping of a multifamily rental housing development designed and intended to be used for rental occupancy.

(b) The proceeds of the Bonds will be loaned to the Borrower and the proceeds of the loan will be applied to: (i) the acquisition, renovation, and equipping of the Project; (ii) the funding of one or more reserve funds to secure the timely payment of the Bonds, if necessary; (iii) the payment of interest on the Bonds during the renovation of the Project, if necessary; and (iv) the payment of the costs of issuing the Bonds. The HRA will enter into one or more loan agreements (or other revenue agreements) with the Borrower requiring loan repayments from the Borrower in amounts sufficient to repay the loan when due and requiring the Borrower to pay all costs of maintaining and insuring the Project, including taxes thereon.

(c) In preliminarily authorizing the issuance of the Bonds and the financing of the acquisition, renovation, and equipping of the Project and related costs, the HRA's purpose is to further the policies of the Act.

(d) The Bonds will be special, limited obligations of the HRA payable solely from the revenues pledged to the payment thereof, will not be a general or moral obligation of the HRA, and will not be secured by or payable from revenues derived from any exercise of the taxing powers of the HRA.

Section 3. Public Hearing. The Board of Commissioners of the HRA will conduct a public hearing on the Housing Program, the Project, and the issuance of the Bonds by the HRA at a regular or special meeting on a date to be determined by the Executive Director of the HRA for which proper notice may be given as provided below. Notice of such hearing (the "Public Notice") will be published as required by Section 462C.04, subdivision 2 of the Act and Section 147(f) of the Code. The Executive Director of the HRA is hereby authorized and directed to publish the Public Notice, in substantially the form attached hereto as **EXHIBIT A**, in a newspaper of general circulation in the County, at least 15 days before the meeting of the Board of Commissioners at which the public hearing will take place. At the public hearing reasonable opportunity will be provided for interested individuals to express their views, both orally and in writing, on the Project, the Housing Program, and the proposed issuance of the Bonds.

Section 4. Housing Program. Kennedy & Graven, Chartered, acting as bond counsel for the HRA ("Bond Counsel") shall prepare and submit to the HRA a draft Housing Program to authorize the issuance by the HRA of up to approximately \$17,000,000 in revenue bonds in one or more series to finance the acquisition, renovation, and equipping of the Project by the Borrower.

Section 5. Submission of an Application for an Allocation of Bonding Authority. Under Section 146 of the Code, the Bonds must receive an allocation of the bonding authority of the State of Minnesota. The Board of Commissioners hereby authorizes the submission of an application for allocation of bonding authority pursuant to Section 146 of the Code and the Allocation Act in accordance with the requirements of the Allocation Act. The Chair of the Board of Commissioners, the Executive Director of the HRA, Bond Counsel and staff of the County are hereby authorized and directed to take all actions, in cooperation with the Borrower, as are necessary to submit an application for an allocation of bonding authority to the office of Minnesota Management and Budget.

Section 6. Preliminary Approval. The Board of Commissioners hereby provides preliminary approval to the issuance of the Bonds in the approximate principal amount of up to \$17,000,000 to finance all or a portion of the costs of the Project pursuant to the Housing Program of the HRA, subject to: (i) review of the Housing Program by the Metropolitan Council; (ii) a public hearing as required by the Act and Section 147(f) of the Code; (iii) receipt of allocation of bonding authority from the State of Minnesota; (iv) final approval by the Board of Commissioners following the preparation of bond documents; (v) approval of the project by the City of Saint Paul, and (vi) final determination by the Board of Commissioners that the financing of the Project and the issuance of the Bonds are in the best interests of the HRA.

Section 7. Reimbursement of Costs under the Code.

7.01. The United States Department of the Treasury has promulgated regulations governing the use of the proceeds of tax-exempt bonds, all or a portion of which are to be used to reimburse the HRA or the Borrower for project expenditures paid prior to the date of issuance of such bonds. Those regulations (Treasury Regulations, Section 1.150-2) (the “Regulations”) require that the HRA adopt a statement of official intent to reimburse an original expenditure not later than 60 days after payment of the original expenditure. The Regulations also generally require that the bonds be issued and the reimbursement allocation made from the proceeds of the bonds occur within 18 months after the later of: (i) the date the expenditure is paid; or (ii) the date the project is placed in service or abandoned, but in no event more than 3 years after the date the expenditure is paid. The Regulations generally permit reimbursement of capital expenditures and costs of issuance of the Bonds.

7.02. To the extent any portion of the proceeds of the Bonds will be applied to expenditures with respect to the Project, the HRA reasonably expects the proceeds of the Bonds will reimburse the Borrower for the expenditures made for costs of the Project after the date of payment of all or a portion of such expenditures. All reimbursed expenditures shall be capital expenditures, costs of issuance of the Bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Regulations and also qualifying expenditures under the Act.

Based on representations by the Borrower, other than (i) expenditures to be paid or reimbursed from sources other than the Bonds, (ii) expenditures permitted to be reimbursed under prior regulations pursuant to the transitional provision contained in Section 1.150-2(j)(2)(i)(B) of the Regulations, (iii) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iv) expenditures in a “de minimis” amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures with respect to the Project to be reimbursed with the proceeds of the Bonds have been made by the Borrower more than 60 days before the date of adoption of this resolution of the HRA.

7.03. Based on representations by the Borrower, as of the date hereof, there are no funds of the Borrower reserved, allocated on a long term-basis, or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside) to provide permanent financing for the expenditures related to the Project to be financed from proceeds of the Bonds, other than pursuant to the issuance of the Bonds. This resolution, therefore, is determined to be consistent with the budgetary and financial circumstances of the Borrower as they exist or are reasonably foreseeable on the date hereof.

Section 8. Costs. The Borrower will pay the administrative fees of the HRA and pay, or, upon demand, reimburse the HRA for payment of, any and all costs incurred by the HRA in connection with the Project and the issuance of the Bonds, whether or not the Bonds are issued.

Section 9. Commitment Conditional. The adoption of this resolution does not constitute a guarantee or a firm commitment that the HRA will issue the Bonds as requested by the Borrower. If, as a result of information made available to or obtained by the HRA during its review of the Project, it appears that the Project or the issuance of Bonds to finance the costs thereof is not in the public interest or is inconsistent with the purposes of the Act, the HRA reserves the right to decline to give final approval to the issuance of the Bonds. The HRA also retains the right, in its sole discretion, to withdraw from participation and accordingly not issue the Bonds should the Board of Commissioners, at any time prior to the issuance thereof, determine that it is in the best interests of the HRA not to issue the Bonds or should the parties to the transaction be unable to reach agreement as to the terms and conditions of any of the documents for the transaction.

Section 10. Effective Date. This Resolution shall be in full force and effect from and after its passage.

PASSED AND ADOPTED BY THE BOARD OF COMMISSIONERS OF THE RAMSEY COUNTY HOUSING & REDEVELOPMENT AUTHORITY, THIS 24th DAY OF NOVEMBER, 2020.

CERTIFICATION

I, the undersigned Executive Director of The Ramsey County Housing & Redevelopment Authority, do hereby certify the following:

The foregoing is true and correct and a copy of the Resolution is on file and of record in the offices of the HRA, which Resolution relates to providing for a public hearing regarding a multifamily housing development and granting preliminary approval to the issuance of conduit revenue bonds to finance the costs thereof, and said Resolution was duly adopted by the Board of Commissioners at a regular or special meeting of the Board of Commissioners held on the date therein indicated. Said meeting was duly called and regularly held and was open to the public and was held at the place at which meetings of the Board of Commissioners are regularly held, a quorum of the Board of Commissioners being present and acting throughout. Commissioner _____ moved the adoption of the Resolution, which motion was seconded by Commissioner _____. A vote being taken on the motion, the following members of the Board of Commissioners voted in favor of the Resolution:

and the following voted against the same:

Whereupon said Resolution was declared duly passed and adopted. The Resolution is in full force and effect and no action has been taken by the Board of Commissioners which would in any way alter or amend the Resolution.

WITNESS MY HAND officially as the Executive Director of The Ramsey County Housing & Redevelopment Authority, this 24th day of November, 2020.

Executive Director
Ramsey County Housing & Redevelopment Authority

EXHIBIT A

NOTICE OF PUBLIC HEARING

THE RAMSEY COUNTY HOUSING & REDEVELOPMENT AUTHORITY COUNTY OF RAMSEY STATE OF MINNESOTA

NOTICE OF A PUBLIC HEARING TO BE CONDUCTED BY THE RAMSEY COUNTY HOUSING & REDEVELOPMENT AUTHORITY TO CONSIDER THE ISSUANCE OF CONDUIT REVENUE BONDS TO FINANCE THE ACQUISITION, RENOVATION, AND EQUIPPING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT (WILDER SQUARE APARTMENTS PROJECT)

NOTICE IS HEREBY GIVEN that the Board of Commissioners (the “Board”) of The Ramsey County Housing & Redevelopment Authority (the “HRA”) will hold a public hearing on Tuesday, December 15, 2020, at or after 9:00 a.m. in the Board Chambers in the HRA Hall on the 3rd floor of the County Courthouse, 15 West Kellogg Boulevard, Saint Paul, Minnesota, to consider a housing program and a proposal that the HRA approve and authorize the issuance of its revenue bonds or other obligations (the “Bonds”), in one or more series, pursuant to Minnesota Statutes, Chapter 462C, as amended (the “Act”), for the purposes of (i) financing the acquisition, renovation, and equipping of an approximately 136-unit multifamily rental housing development consisting of an existing 11-story building with surface parking and other functionally related facilities, located at 750 Milton Ave North in Saint Paul, Minnesota (the “Project”); (ii) funding one or more reserve funds to secure the timely payment of the Bonds, if necessary; (iii) paying interest on the Bonds during the renovation of the Project, if necessary; and (iv) paying the costs of issuing the Bonds. CB Wilder Square Limited Partnership, a Minnesota limited partnership (or another entity affiliated with CommonBond Communities, a Minnesota nonprofit corporation, the “Borrower”) will own the Project. The estimated maximum aggregate principal amount of the proposed revenue Bonds to be issued in one or more series to finance the Project will not exceed \$17,000,000.

Following the public hearing, the Board will consider a resolution approving a housing program prepared in accordance with the requirements of the Act and granting approval to the issuance of the Bonds.

The Bonds will be special, limited obligations of the HRA, and the Bonds and interest thereon will be payable solely from the revenues and assets pledged to the payment thereof. No holder of any Bond will have the right to compel any exercise of the taxing power of the HRA or Ramsey County to pay the Bonds or the interest thereon, nor to enforce payment against any property of the HRA or Ramsey County except money payable by the Borrower to the HRA and pledged to the payment of the Bonds. Before issuing the Bonds, the HRA will enter into an agreement with the Borrower, whereby the Borrower will be obligated to make payments at least sufficient at all times to pay the principal of and interest on the Bonds when due.

A copy of the housing program will be on file and available in electronic form through an emailed request to Kari Collins, Community & Economic Development Director, at Kari.Collins@CO.RAMSEY.MN.US on or before the date of the hearing, during normal business hours.

At the time and place fixed for the public hearing the Board will give all persons who appear or submit comments in writing to the Board prior to the hearing, an opportunity to express their views with

respect to the proposal. In addition, interested persons may file written comments respecting the proposal with the Executive Director of the HRA at or prior to said public hearing.

Publish: [**November 30, 2020**]

BY ORDER OF THE HRA BOARD OF
COMMISSIONERS OF THE RAMSEY
COUNTY HOUSING & REDEVELOPMENT
AUTHORITY