AGENDA
CHASKA ECONOMIC DEVELOPMENT AUTHORITY MEETING
CHASKA CITY HALL - COUNCIL CHAMBERS & ZOOM
Monday, July 19, 2021
7:00 PM

1. Call to Order
2. Roll Call
3. Adopt Agenda
4. Approve Previous Meeting Minutes
5. Discussion Items
    A. Adopt Resolution EDA #2021-2 Authorizing the Execution of a First Amendment to the Redevelopment Agreement for the Chaska Creek Industrial Project and an Assignment of Said Redevelopment Agreement
6. Other Business
7. Adjourn

REQUEST FOR ACTION
CHASKA ECONOMIC DEVELOPMENT AUTHORITY
July 19, 2021

Subject: **Resolution Authorizing the Execution of a First Amendment to the Redevelopment Agreement for the Chaska Creek Industrial Project and an Assignment of Said Redevelopment Agreement**

Prepared By: Nate Kabat

Background

On April 5, 2021, the City of Chaska entered into a redevelopment agreement with KTJ 376, LLC (dba. Oppidan), stating the developer's responsibilities and the terms and conditions of the City's assistance with the financing of a project within Tax Increment Financing (TIF) District No. 24.

Oppidan has requested, and staff desire, to amend the Original Agreement to revise the name of the developer to Oppidan Incorporated, to include the EDA as a party to the Redevelopment Agreement, and to assign the redevelopment agreement to Chaska Industrial Owner, LLC (CIO). The Original Agreement, as amended, is included with this memo.

Oppidan, will be selling the development project to CIO, which required the Agreement to be assigned to CIO. This is not an unusual type of transaction or request for a development of this nature. CIO is owned by Rockpoint Holdings, which is among the largest industrial real estate investors in the country. The assignment of the Agreement will assign all of Oppidan's right, title, and interest in and to the Redevelopment Agreement, except for Oppidan's rights and interests under the TIF Notes issued thereunder, and CIO desires to assume all of Oppidan's right, title, and interest in and to the Redevelopment Agreement, except for Oppidan's rights and interests under the TIF Notes.

Staff have reviewed the requested amendment to the agreement and recommend the City and EDA enter into an assignment agreement (the "Assignment") with the Developer and CIO, and also grant their consent to such assignment and assumption of the Redevelopment Agreement.

<u>CITY COUNCIL ACTION REQUESTED</u>

Motion to adopt Resolution 2021-48 authorizing the execution of a first amendment to the redevelopment agreement for the Chaska Creek industrial project and an assignment of said redevelopment agreement.

CITY OF CHASKA ECONOMIC DEVELOPMENT AUTHORITY
CARVER COUNTY, MINNESOTA

RESOLUTION

DATE 07/19/2021 RESOLUTION NO. EDA 2021-02

MOTION BY COUNCILMEMBER__________ SECOND BY COUNCILMEMBER__________

A RESOLUTION AUTHORIZING THE EXECUTION OF A FIRST AMENDMENT TO THE REDEVELOPMENT AGREEMENT FOR THE CHASKA CREEK INDUSTRIAL PROJECT AND AN ASSIGNMENT OF SAID REDEVELOPMENT AGREEMENT

BE IT RESOLVED by the Economic Development Authority of the City of Chaska, Minnesota (the "EDA"), as follows:

Section 1. Recitals.

1.01. On April 5, 2021, the City of Chaska, Minnesota (the "City") entered into a certain redevelopment agreement (the "Original Agreement") with KTJ 376, LLC, stating the developer's responsibilities and the terms and conditions of the City's assistance with the financing of a project within Tax Increment Financing (Economic Development) District No. 24.

1.02. The parties desire to amend the Original Agreement to, among other things, revise the name of the developer to Oppidan Incorporated (the "Developer") and to include the EDA as a party to the Redevelopment Agreement. The Original Agreement, as amended, is herein referred to as the "Redevelopment Agreement."

1.03. Oppidan, as Developer, desires to assign all of its right, title, and interest in and to the Redevelopment Agreement, except for Oppidan's rights and interests under the TIF Notes issued thereunder, and Chaska Industrial Owner, LLC ("CIO"), desires to assume all of Oppidan's right, title, and interest in and to the Redevelopment Agreement, except for Oppidan's rights and interests under the TIF Notes. The City and EDA are willing to enter into an assignment agreement (the "Assignment") with the Developer and CIO and are willing to grant their consent to such assignment and assumption of the Redevelopment Agreement.

Section 2. Approval of the First Amendment and Assignment.

2.01. There has been prepared and presented to the EDA for its consideration a certain First Amendment to Redevelopment Agreement between the City, the EDA, and the Developer (the "First Amendment") and the Assignment.

2.02. The EDA hereby approves the First Amendment and the Assignment, together with any related documents necessary in connection therewith (collectively, the "Development

Documents"), substantially in the form presented to the EDA and hereby authorizes President and Executive Director, in their discretion and at such time, if any, as they may deem appropriate, to finalize and execute the same on behalf of the EDA, and to carry out, on behalf of the EDA, the EDA's obligations thereunder.

2.03. The approval hereby given to the Development Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the EDA and by the officers authorized herein to execute said documents prior to their execution; and said officers are hereby authorized to approve said changes on behalf of the EDA. The execution of any instrument by the appropriate officers of the EDA herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. In the event of absence or disability of the officers, any of the documents authorized by this Resolution to be executed may be executed without further act or authorization of the EDA by any duly designated acting official, or by such other officer or officers of the EDA as, in the opinion of the EDA Attorney, may act in their behalf.

2.04. Upon execution and delivery of the Development Documents, the officers and employees of the EDA are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the EDA to implement the Development Documents.

2.05. The EDA hereby determines that the execution and performance of the Development Documents will help realize the public purposes of Minnesota Statutes, Sections 469.174 to 469.1794, all inclusive, as amended (the "Act").

Passed and adopted by the City Council of the City of Chaska, Minnesota, this 19th day of July 2021.

____
Mark Windschitl, Mayor

Attest:____________________________________
Chaska Deputy Clerk

EXECUTION

CONSENT, ASSIGNMENT, AND ASSUMPTION
REGARDING
REDEVELOPMENT AGREEMENT
(CHASKA CREEK INDUSTRIAL PROJECT)

This Consent, Assignment, and Assumption Regarding Redevelopment Agreement (this "Agreement") is dated as of July 19, 2021 (the "Effective Date"), by and among CHASKA INDUSTRIAL OWNER LLC, a Delaware limited liability company ("CIO"), the CITY OF CHASKA, MINNESOTA, a municipal corporation and political subdivision of the State of Minnesota (the "City"), the ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA, a body corporate and politic of the State of Minnesota (the "EDA"), and OPPIDAN INCORPORATED, a Minnesota corporation ("Oppidan").

Recitals:

A. The City, EDA and Oppidan are parties to that certain Redevelopment Agreement dated April 5, 2021, as amended by a First Amendment to Redevelopment Agreement dated July 19, 2021 (the "Redevelopment Agreement"), regarding certain tax increment financing assistance in connection with Developer's construction of a Project within Tax Increment Financing (Economic Development) District No. 24 (the "TIF District").

B. Oppidan, as Developer under the Redevelopment Agreement, desires to assign all of its right, title, and interest in and to the Redevelopment Agreement, except for Oppidan's rights and interests under the TIF Notes, and CIO desires to assume all of Oppidan's right, title, and interest in and to the Redevelopment Agreement, except for Oppidan's rights and interests under the TIF Notes.

C. The City and EDA are willing to enter into this Agreement to grant their consent to such assignment and assumption of the Redevelopment Agreement.

NOW THEREFORE, in consideration of the foregoing premises and mutual covenants hereafter contained the parties hereby agree as follows:

1. <u>Recitals; Defined Terms</u>. The Recitals are incorporated into this Agreement by this reference, including the definitions set forth therein. Terms capitalized in this Agreement, but not otherwise defined, have the meanings given to them in the Redevelopment Agreement.

2. <u>Assignment</u>. Effective as of the Effective Date, Oppidan assigns, conveys, transfers, and sets over unto CIO, all of Oppidan's right, title, and interest, as Developer, in, to, and under the Redevelopment Agreement, except for Oppidan's rights and interests under the TIF Notes, expressly subject to the rights and privileges of the City and the EDA under the Redevelopment Agreement.

3. <u>Assumption</u>. Effective as of the Effective Date, CIO assumes and agrees to perform, fulfill, and comply with all covenants and obligations to be performed, fulfilled, or complied with by Developer under the Redevelopment Agreement.

4. <u>TIF District</u>. CIO agrees that the TIF District will comply with the requirements of an economic development district, as described in Minnesota Statutes, Section 469.176, Subd. 4c, for the life of the TIF District. If CIO takes any action that results in the termination of the TIF District, CIO is obligated to reimburse the City or EDA for the amount of tax increment generated by the TIF District that

the City and EDA anticipate retaining (estimated to be $5,797,973) to finance public sewer connection improvements.

5. Representations. Each of Oppidan and CIO represent that, to the best of each of their respective knowledge, there exists no Default, nor any condition or state of facts, which with notice, the passage of time, or both, would constitute a Default by any party under the Redevelopment Agreement.

6. Consent. The City and the EDA hereby consent to the assignment of the Redevelopment Agreement by Oppidan to CIO, and the assumption by CIO of Oppidan's interest in the Redevelopment Agreement, except for Oppidan's rights and interests under the TIF Notes, as set forth in this Agreement. Such consent shall not be deemed to be consent by the City or the EDA to any subsequent assignment or other transfer of the Redevelopment Agreement or any rights, responsibilities, obligations, interests or benefits thereunder, except as otherwise expressly provided by the terms of the Redevelopment Agreement.

7. Representations of the City and EDA. The City and EDA hereby represent that, to the best of the knowledge of each respective undersigned authorized representatives, there exists no Default, nor any condition or state of facts, which with notice, the passage of time, or both, would constitute a Default by any party under the Redevelopment Agreement.

8. Notice. CIO's address for purposes of Section 9.01 of the Redevelopment Agreement is as follows:

Corporation Trust Center
1209 Orange Street
Wilmington, Delaware
Attention: ________________

9. Miscellaneous.

(a) Authority. Each party to this Agreement represents and warrants to the other parties to this Agreement that it is duly authorized to enter into this Agreement and perform its respective obligations hereunder and that the person signing this Agreement on its respective behalf is duly authorized to sign on behalf of such party.

(b) Binding Effect. This Agreement shall be binding upon and inure to the benefit of each party hereto and their respective successors and permitted assigns.

(c) Counterparts; Electronic Signatures. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original copy, and all of which together will constitute one instrument. The parties acknowledge and agree that electronic signatures, including execution using Adobe Sign, or signatures transmitted by electronic mail in so-called "pdf" format are legal and binding and have the same full force and effect as if an original of this Agreement had been delivered.

[Remainder of page intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the date first set forth above.

OPPIDAN INCORPORATED,
a Minnesota corporation
By: ____

Name: David Scott
Its: Vice President

CHASKA INDUSTRIAL OWNER LLC

By: ____________________________________

Name: _________________________________

Its: ____________________________________

[Signature Page to Consent, Assignment, and Assumption Regarding Redevelopment Agreement (Chaska Creek Industrial Project)]

CITY OF CHASKA, MINNESOTA

By: ______________________________
Mayor

By: ______________________________
City Administrator

ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF CHASKA, MINNESOTA

By: ______________________________
President

By: ______________________________
Executive Director

[Signature Page to Consent, Assignment, and Assumption Regarding Redevelopment Agreement (Chaska Creek Industrial Project)]

FIRST AMENDMENT TO

REDEVELOPMENT AGREEMENT

IN

REDEVELOPMENT PROJECT AREA NO. 4

AND

TAX INCREMENT FINANCING (ECONOMIC DEVELOPMENT) DISTRICT NO. 24

CITY OF CHASKA,
CARVER COUNTY, MINNESOTA

By and Among

CITY OF CHASKA, MINNESOTA

And

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA

And

OPPIDAN INCORPORATED

for the

CHASKA CREEK INDUSTRIAL PROJECT

Dated as of July 19, 2021

This Document Was Drafted By:

DORSEY & WHITNEY LLP (GIT)
Suite 1500
50 South Sixth Street
Minneapolis, Minnesota 55402

FIRST AMENDMENT TO
REDEVELOPMENT AGREEMENT
(CHASKA CREEK INDUSTRIAL PROJECT)

THIS FIRST AMENDMENT TO REDEVELOPMENT AGREEMENT ("Amendment") is made and entered into as of July 19, 2021, by and among the CITY OF CHASKA, MINNESOTA, a municipal corporation and political subdivision of the State of Minnesota (the "City"), the ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA, a body corporate and politic of the State of Minnesota (the "EDA"), and OPPIDAN INCORPORATED, a Minnesota corporation (the "Developer").

RECITALS

A. The City adopted a resolution establishing Tax Increment Financing (Economic Development) District No. 24, an "economic development district" (the "TIF District") pursuant to M.S., Section 469.174, Subdivision 12, and approved a Tax Increment Financing Plan therefor (the "TIF Plan").

B. The City and Developer are parties to a Redevelopment Agreement dated April 5, 2021 (the "Original Agreement," and such Original Agreement as modified by this Amendment, collectively, the "Agreement").

C. Upon the terms and conditions set forth in the Original Agreement, City agreed to provide Developer with certain tax increment financing assistance in connection with Developer's construction of a Project within the TIF District.

D. The Parties desire to amend the Original Agreement by this Amendment as set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

1. Recitals; Definitions. The foregoing recitals are true and accurate and are incorporated herein as part of the agreement of the Parties. Any word or term with an initial capital letter shall have the meaning given to it in this Amendment or if not so defined herein shall have the meaning given to it in the Original Agreement.

2. Inclusion of EDA as a Party; City acting on behalf of EDA. The EDA is hereby added as a party to the Agreement, and the EDA's approval of the Agreement affirms the representations of the EDA in the TIF Plan. All references to the rights, interest, or obligations of the City in the Original Agreement are hereby amended to include the EDA, and the EDA hereby authorizes the City to act on its behalf with regard to any obligations of the City and/or EDA under the Agreement.

3. Amendment of name of Developer. The name "Oppidan Holdings, LLC" is replaced throughout the Agreement, including all appendices and exhibits, with "Oppidan Incorporated," and any reference to the Developer as a "Minnesota limited liability company" shall

be replaced with a "Minnesota corporation."

4. Amendment of Section 2.04 – Ownership of Development Property. Section 2.04 of the Original Agreement is hereby amended as follows:

> The Developer hereby represents and warrants that Chaska Industrial Owner LLC, a Delaware limited liability company, will be the owner in fee simple of the Development Property and that there are no liens, defects or other encumbrances upon title to the Development Property that would hinder the development of the Development Property by the Developer as contemplated by this Agreement.

5. Amendment of Section 5.07 – Action to Reduce Taxes. Section 5.07 of the Original Agreement is hereby amended as follows:

> "Section 5.07 Action to Reduce Taxes. In accordance with the provisions of Minnesota Statutes, Section 469.177, Subd. 8 and the terms of the Assessment Agreement, ~~T~~the Developer may seek through petition or other means to have the market value for the Development Property reduced. Until the TIF Notes are fully paid, such activity must be preceded by written notice from the Developer. Upon receiving such notice, or otherwise learning of the Developer's intentions, the City may suspend payments due under the TIF Notes until the actual amount of the reduction is determined, whereupon the City will make the suspended payments less any amount that the City is required to repay the County as a result any reduction in market value of the Development Property. During the period that the payments are subject to suspension, the City may make partial payments on the TIF Notes if it determines, in its sole and absolute discretion, that the amount retained will be sufficient to cover any repayment which the County may require. The City's suspension of payments on the TIF Notes pursuant to this Section shall not be considered a default under this Agreement.

6. Amendment of Exhibit A – Development Property. Exhibit A – Development Property is hereby deleted and replaced with Exhibit A hereto, which replacement provides the legal descriptions for the Development Property.

7. Amendment of Exhibit B – Covenants and Restrictions. Exhibit B – Covenants and Restrictions is hereby deleted and replaced with Exhibit B hereto, which replacement includes the EDA as a party to the Agreement referenced therein; and substitutes "Oppidan Holdings, LLC" with "Oppidan Incorporated."

8. Amendment of Exhibit C – Project Description; Qualified Costs. Exhibit C – Project Description; Qualified Costs is hereby deleted and replaced with Exhibit C hereto, which replacement amends the Project Description.

9. Amendment of Exhibit D – Certificate of Completion. Exhibit D – Certificate of Completion is hereby deleted and replaced with Exhibit D hereto, which replacement includes the EDA as a party to the Agreement referenced therein, substitutes "Oppidan Holdings, LLC" with "Oppidan Incorporated," references this Amendment, and provides the legal descriptions for the Development Property.

10. Amendment of Exhibit E – Form of Limited Tax Increment Revenue Note. Exhibit E – Form of Limited Tax Increment Revenue Note is hereby deleted and replaced with Exhibit E hereto, which replacement includes the EDA as a party to the Agreement referenced therein, substitutes "Oppidan Holdings, LLC" with "Oppidan Incorporated," and references this Amendment.

11. Amendment of Exhibit F – Form of Assessment Agreement. Exhibit E – Form of Assessment Agreement is hereby deleted and replaced with Exhibit E hereto, which replacement includes the EDA as a party to the Agreement referenced therein, substitutes "Oppidan Holdings, LLC" with "Oppidan Incorporated" and the term "Development Agreement" with "Redevelopment Agreement" in the body of the Assessment Agreement, and provides the legal descriptions for the Development Property in Exhibit A thereto. Exhibits B and C to the Assessment Agreement remain unchanged.

12. Not Replaced – Exhibit G – Form of Business Subsidy Agreement. For purposes of clarity, it is hereby noted that Exhibit G – Form of Business Subsidy Agreement is not replaced.

13. Ratification. Except as specifically modified by this Amendment, the terms and provisions of the Original Agreement shall remain in full force and effect.

14. Binding Effect. This Amendment amends and supplements the Agreement. If there is a conflict between the provisions of the Original Agreement and this Amendment, the provisions of this Amendment shall control. This Amendment shall be binding upon and inure to the benefit of the Parties, and their respective successors and assigns.

15. Counterparts. This Amendment may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile or email copies shall be deemed originals.

[Remainder of page intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the City and Developer have caused this Amendment to be duly executed in their names and on their behalf, all on or as of the date first above written.

CITY OF CHASKA, MINNESOTA

By: ______________________________
Mayor

By: ______________________________
City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF CARVER)

The foregoing instrument was acknowledged before me this ____ day of _______________, 2021, by Mark Windschitl and Matt Podhradsky, the Mayor and City Administrator, respectively, of the City of Chaska, Minnesota, on behalf of the City of Chaska.

In WITNESS WHEREOF, I have set my hand and my official seal this ____ day of __________, 2021.

____
Notary Public

ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF CHASKA, MINNESOTA

By ____
President

Attest: ____________________________________
Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF CARVER)

This instrument was acknowledged before me on this _____ day of ____________, 2021, by Mark Windschitl and Matt Podhradsky, the President and Executive Director, respectively, of Economic Development Authority of the City of Chaska, Minnesota, a Minnesota political subdivision, on behalf of the political subdivision.

____
Notary Public

OPPIDAN INCORPORATED,
a Minnesota corporation

By: ______________________________________
Name: David Scott
Its: Vice President

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ___ day of _______________, 2021, by David Scott, the Vice President of Oppidan Incorporated, a Minnesota corporation, on behalf of the corporation.

In WITNESS WHEREOF, I have set my hand and my official seal this ____ day of __________, 2021.

____
Notary Public

EXHIBIT A

DEVELOPMENT PROPERTY

The real property and interests in such property located in the County of Carver, State of Minnesota and described as follows:

PID	Legal Description
301840030	Outlot A Chaska Creek Center 2nd Addition
302040070	Outlot E Chaska Creek Center

EXHIBIT B

COVENANTS AND RESTRICTIONS

During the term of that certain Redevelopment Agreement between the City of Chaska (the "City"), the Economic Development Authority of the City of Chaska, Minnesota (the "EDA"), and Oppidan Incorporated (the "Developer"), dated April 5, 2021, as amended by a First Amendment to Redevelopment Agreement dated July 19, 2021, and recorded in the Office of the Carver County Registrar as Document No. [__________] on [____________], 20[__], the Property shall be subject to the following covenants and restrictions:

1. The Property shall not be exempt from real estate taxes notwithstanding the ownership or use of the land.

2. The Property shall not be sold, transferred, conveyed or leased to any of the following parties:

   (a) An institution of purely public charity;

   (b) A church or ancillary tax-exempt housing;

   (c) A public hospital;

   (d) A public school district;

   (e) An organization exempt from federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, if as a result of such sale, transfer, conveyance or lease the Property would become exempt from real estate taxes; or

   (f) A Minnesota cooperative association organized under Minnesota Statutes, Section 308.05 and 308.18 for the purpose of complying with the provisions of Minnesota Statutes, Section 273.133, subdivision 3, or any other party that would cause the Property to be valued and assessed for real estate tax purposes at a lower percentage of its market value than the Property is then being valued and assessed for real estate tax purposes or would result in the Property becoming exempt from real estate taxes.

3. The Property shall not be used for any of the following purposes:

   (a) The operation of a public charity;

   (b) A church or house of worship;

   (c) The operation of a public hospital;

   (d) The operation of a public schoolhouse, academy, college, university or seminary of learning; or

(e) Any other use which would cause the Property to be valued and assessed for real estate tax purposes at a lower percentage of its market value than the Property is then being valued and assessed for real estate tax purposes or would result in the Property becoming exempt from real estate taxes.

4. The Property shall be devoted to uses consistent with an "economic development district" under Minnesota Statutes, Sections 469.174 through 469.1794.

5. The Property owner shall:

(a) not discriminate upon the basis of race, color, creed, religion, national origin, sex, marital status, disability, status with regard to public assistance, sexual orientation, and familial status in the sale, lease, or rental or in the use or occupancy of the Development Property, the Project or any part thereof;

(b) develop the Development Property in an orderly manner consistent with the City's zoning ordinances and comprehensive plan.

6. The covenants and restrictions herein contained shall run with the title to the Property and shall be binding upon all present and future owners and occupants of the Property; provided, however, that the covenants and restrictions herein contained shall inure only to the benefit of the City and may be released or waived in whole or in part at any time, and from time to time, by the sole act of the City, and variances may be granted to the covenants and restrictions herein contained by the sole act of the City. These covenants and restrictions shall be enforceable only by the City, and only the City shall have the right to sue for and obtain an injunction, prohibitive or mandatory, to prevent the breach of the covenants and restrictions herein contained, or to enforce the performance or observance thereof.

7. The covenants and restrictions herein contained shall remain in effect until the earlier of (i) February 1, 2032, or (ii) the date the City terminates the TIF District.

EXHIBIT C

PROJECT DESCRIPTION; QUALIFIED COSTS

Project Description

The Project involves the construction of a 168,000 square foot multi-tenant industrial facility and a 133,000 square foot multi-tenant industrial facility. The square footage of the completed facilities will comply with the requirements of an economic development district, as described in Minnesota Statutes, Section 469.176, Subd. 4c.

Qualified Costs

The estimated Qualified Costs of the TIF District are listed below that are eligible for reimbursement from tax increments of the TIF District. The categories below identify the categories of expenses that the parties agree may be reimbursed through tax increment financing. The amounts assigned to each category are estimates only and not independent limitations of Developer's Qualified Costs.

Site Improvements/Preparation costs	$1,657,621
Sewer connection improvements	5,801,882
Administrative expenses	392,606
Total	$7,852,109*

* Developer's Qualified Cost. The total principal amount of any and all TIF Notes issued to reimburse the Developer for Qualified Costs of the Project will not exceed $1,304,000; the total principal amount of the TIF Note issued to reimburse the Developer for Qualified Costs of Building One will not exceed $994,000, and the total principal amount of the TIF Note issued to reimburse the Developer for Qualified Costs of Building Two will not exceed $310,000.

EXHIBIT D

CERTIFICATE OF COMPLETION

[Building 1] [Building 2 and the Project]

WHEREAS, Oppidan Incorporated, a Minnesota corporation ("the Developer"), is the owner and the Developer of the property in the County of Carver and State of Minnesota described on Exhibit A hereto and made a part hereof (the "Development Property"); and

WHEREAS, the Development Property is subject to the provisions of a certain Redevelopment Agreement in Redevelopment Project Area No. 4 and Tax Increment Financing (Economic Development) District No. 24, dated as of April 5, 2021, as amended by a First Amendment to Redevelopment Agreement, dated as of July 19, 2021 (collectively, the "Agreement"), between the Developer, the City of Chaska, Minnesota, and the Economic Development Authority of the City of Chaska, Minnesota; and

WHEREAS, the Developer has fully and duly performed all of the covenants and conditions of Developer under the Agreement with respect to the completion of the respective Project Building listed above (as defined in the Agreement);

NOW, THEREFORE, it is hereby certified that all requirements of the Developer under the Agreement with respect to the completion of the [Building 1] [Building 2 and the Project] have been completed and duly and fully performed, and this instrument is to be conclusive evidence of the satisfactory termination of the covenants and conditions of the Agreement as they relate to the completion of the Project. All other covenants and conditions of the Agreement shall remain in effect and are not terminated hereby.

Dated this ____ day of ____________, 20__.

CITY OF CHASKA, MINNESOTA

By ____
Mayor

And _______________________________________
City Administrator

Exhibit A

Development Property

The real property and interests in such property located in the County of Carver, State of Minnesota and described as follows:

PID	Legal Description
301840030	Outlot A Chaska Creek Center 2nd Addition
302040070	Outlot E Chaska Creek Center

EXHIBIT E

FORM OF LIMITED TAX INCREMENT REVENUE NOTE

No. R-_____ $[__________]

UNITED STATES OF AMERICA
STATE OF MINNESOTA
CITY OF CHASKA

LIMITED REVENUE TAXABLE TAX INCREMENT NOTE NO. [__]
(CHASKA CREEK INDUSTRIAL PROJECT)

Building [__]

PRINCIPAL AMOUNT: $ **INTEREST RATE: 4.00%**

The City of Chaska, Minnesota (the "City") for value received, promises to pay, but solely from the source, to the extent and in the manner hereinafter provided, to Oppidan Incorporated, or its registered assigns (the "Owner"), the principal sum of [___________ dollars] ($[_________]), in semi-annual installments payable on August 1, 20__, and on each February 1 and August 1 thereafter up to and including February 1, 20__ (each being a "Scheduled Payment Date"), together with interest on the outstanding and unpaid principal balance of this Limited Tax Increment Revenue Note (Chaska Creek Industrial Project) (this "Note") at the rate of four percent (4%) per annum. Installment payments shall be applied first to interest and then to a reduction of outstanding principal. Interest on the outstanding balance of this Note shall accrue from the date hereof as simple, non-compounding interest. Each payment on this Note is payable in any coin or currency of the United States of America which on the date of such payment is legal tender for public and private debts and shall be made by check or draft made payable to the Owner and mailed to the Owner at the postal address within the United States designated from time to time by the Owner.

This Note is subject to prepayment on any Scheduled Payment Date at the option of the City, in whole or in part, upon payment to the Owner of the principal amount of the Note to be prepaid, without premium or penalty.

This Note is a special and limited obligation and not a general obligation of the City, which has been issued by the City in aid of financing a project pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including M.S., Sections 469.174 through 469.1794. This Note is issued pursuant to the provisions of that certain Redevelopment Agreement, dated as of April 5, 2021, as amended by a First Amendment to Redevelopment Agreement, dated as of July 19, 2021, as the same may be amended from time to time (the "Redevelopment Agreement"), between the City, the Economic Development Authority of the City of Chaska, Minnesota, and Oppidan Incorporated (the "Developer").

THIS NOTE IS NOT PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN PLEDGED TAX INCREMENT, AS DEFINED BELOW.

The Note Payment Amounts due hereon shall be payable solely from a portion of the tax increments calculated annually, less the City's administrative fee of five percent (5%) from the Development Property within the City's Tax Increment Financing (Economic Development) District No. 24 (the "Tax Increment District") within its Redevelopment Project Area No. 4, which are paid to the City and which the City is entitled to retain pursuant to the provisions of M.S., Sections 469.174 through 469.1794, as the same may be amended or supplemented from time to time (the "Available Tax Increment"). Any increment remaining after retaining the percentage noted above for the City's administrative fee and the payment of the Note Payment Amounts due shall be retained by the City. The City makes no representation or covenant, express or implied, that the Available Tax Increments will be sufficient to pay, in whole or in part, the amounts which are or may become due and payable hereunder.

The City shall pay to the Owner on each Scheduled Payment Date all Available Tax Increment on that date to the extent necessary to pay principal and interest then due and any past due installment. To the extent that the City is unable to pay the total principal and interest due on this Note at or prior to the February 1, 20__, maturity date hereof as a result of its having received as of such date insufficient Available Tax Increment, such failure shall not constitute a default under this Note and the City shall have no further obligation hereon.

This Note shall not be payable from or constitute a charge upon any funds of the City, and the City shall not be subject to any liability hereon or be deemed to have obligated itself to pay hereon from any funds except the Available Tax Increment, and then only to the extent and in the manner herein specified.

The Owner shall never have or be deemed to have the right to compel any exercise of any taxing power of the City or of any other public body, and neither the City nor any council member, officer, employee or agent of the City, nor any person executing or registering this Note shall be personally liable hereon by reason of the issuance or registration hereof or otherwise. The Owner may assign its rights hereunder, with notice thereof provided to City, in accordance with the associated TIF Agreement.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to have happened, and to be performed precedent to and in the issuance of this Note have been done, have happened, and have been performed in regular and due form, time, and manner as required by law; and that this Note, together with all other indebtedness of the City outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the City to exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, the City of Chaska has caused this Note to be executed by the manual signatures of the Mayor and the City Administrator and has caused this Note to be dated as of _________________, 20__.

Mayor

City Administrator

EXHIBIT F

FORM OF ASSESSMENT AGREEMENT

THIS AGREEMENT is dated as of April 5, 2021, and is between the City of Chaska, Minnesota, a municipal corporation and political subdivision of the State of Minnesota (the "City") and Oppidan Incorporated, a Minnesota corporation (the "Developer").

IN CONSIDERATION OF the mutual covenants and benefits herein described, the City and the Developer recite and agree as follows:

Section 1. Recitals.

1.01. Redevelopment District; Redevelopment Plan. The City has heretofore undertaken certain development activities, which is a "project" as defined in Minnesota Statutes, Section 469.174, subdivision 8, known as Redevelopment Project Area No. 4 (the "Project Area") pursuant to a Project Plan for the Project Area.

1.02. Tax Increment Financing District; Project. Pursuant to the Minnesota Tax Increment Financing Act, Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the "TIF Act"), the City has approved a tax increment financing plan (the "Financing Plan"), which is the proposed method for financing the development activities currently proposed to be undertaken pursuant to the Project Plan and established a portion of the Project Area as a tax increment financing district ("Tax Increment District"). The Financing Plan proposes to finance the cost of the construction of two (2) industrial multi-tenant buildings (the "Project").

1.03. Implementation. The City has authorized and directed its officers to take all actions necessary to implement and carry out the Project Plan and the Financing Plan. The Project Plan and the Financing Plan propose that the City finance certain costs of or related to the Project, payable from tax increment (as defined in the TIF Act) derived from the District ("Tax Increment").

1.04. Redevelopment Agreement. The City, the Economic Development Authority of the City of Chaska, Minnesota, and the Developer have entered into a Redevelopment Agreement, dated as of April 5, 2021 (the "Redevelopment Agreement"), as amended, which provides that the Developer, or its permitted assignee, will improve the real property described in Exhibit A hereto (the "Land") by the construction of the portion of the Project located thereon. The Redevelopment Agreement provides that upon the execution and delivery of the Redevelopment Agreement, the City and Developer are to enter into this Assessment Agreement.

Section 2. Minimum Market Value.

2.01. Agreed Upon Minimum. The Developer agrees that the minimum market value of the Land and the portion of the Project located thereon for ad valorem tax purposes, (i) for Building One (as defined in the Redevelopment Agreement), the assessment made as of January 2, 2022, shall be not less than $5,937,120 and for the assessment made as of January 2, 2023, shall be not less than $14,842,800, and for Building Two (as defined in the Redevelopment Agreement), the assessment made as of January 2, 2023, shall be not less than $11,750,550 and shall not be reduced by any action taken by the Developer (other than a deed in lieu of, or under threat of, condemnation by the City, Carver County or other condemning authority), to less than the said amount, and that during the term of this Assessment Agreement no reduction of the market value therefor below said minimum market value shall be sought by the Developer or granted by any public official or court except in accordance with Minnesota Statutes, Section 469.177, subdivision 8. This minimum market value shall apply only to the Land, the portion of the Project located thereon and any other facilities situated on the Land. In the event of involuntary conversion of the Land and the portion of the Project located thereon for any reason (other than condemnation by a public entity), the minimum market value shall not be reduced to an amount less than said minimum market value.

The Developer acknowledges and agrees that the Land and the portion of the Project located thereon are subject to ad valorem property taxation and that such property taxes constitute taxes on "real property" (as provided in Section 469.174 of the TIF Act) and, to the extent reflecting net tax capacity rates of taxing jurisdictions levied against the captured net tax capacity of the District, tax increment.

2.02. Higher Market Value. Nothing in this Assessment Agreement shall limit the discretion of the assessor of the City or any other public official or body having the duty to determine the market value of the Land, the portion of the Project located thereon and other facilities on the Land for ad valorem tax purposes, to assign to the Land, the portion of the Project located thereon or to any other improvements constructed on the Land, on a nondiscriminatory basis and treated fairly and equally with all other property so classified in the respective counties, a market value in excess of the minimum market value specified in Section 2.01. The Developer shall have the normal remedies available under the law to contest any estimated assessor's estimated value in excess of said minimum market values, but only to the extent of the excess.

2.03. Substantial Completion. For purposes of this Assessment Agreement and the determination of the market value of the Land and the portion of the Project located thereon for ad valorem tax purposes, the Developer agrees that (i) Building One located thereon shall be deemed to be completed in accordance with the Redevelopment Agreement as of December 31, 2022 (the required date of completion), whether in fact completed or not; and (ii) Building Two located thereon and the full Project shall be deemed to be completed in accordance with the Redevelopment Agreement as of December 31, 2023 (the required date of completion), whether in fact completed or not.

Section 3. Filing and Certification.

3.01. Assessor Certification. The City shall present this Assessment Agreement to the assessor of the City and request such assessor to execute the certification attached hereto as Exhibit C. The Developer shall provide to the assessor all information relating to the Land and the portion of the Project located thereon requested by the assessor for the purposes of discharging the assessor's duties with respect to the certification.

3.02. Filing. Prior to the recording of any mortgage, security agreement or other instrument creating a lien on the Land, the Developer shall cause this Assessment Agreement and a copy of Minnesota Statutes, Section 469.177, subdivision 8, attached hereto as Exhibit B, to be recorded in the office of the County Recorder or Registrar of Titles of Carver County, and shall pay all costs of such recording.

Section 4. Relation to Redevelopment Agreement. The covenants and agreements made by the Developer in this Assessment Agreement are separate from and in addition to the covenants and agreements made by the Developer in the Redevelopment Agreement and nothing contained herein shall in any way alter, diminish or supersede the duties and obligations of the Developer under the Redevelopment Agreement.

Section 5. Miscellaneous Provisions.

5.01. Binding Effect. This Assessment Agreement shall inure to the benefit of and shall be binding upon the City and the Developer and their respective successors and assigns, and upon all subsequent owners of the Land and the portion of the Project located thereon.

5.02. Severability. In the event any provision of this Assessment Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

5.03. Amendments, Changes and Modifications. Except as provided in Section 5.04, this Assessment Agreement may be amended or any of its terms modified only by written amendment authorized and executed by the City and the Developer and otherwise in compliance with Section 469.177, subdivision 8, of the Act.

5.04. Further Assurances and Corrective Instruments. The City and the Developer agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged or delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Land or the portion of the Project located thereon, or for carrying out the expressed intention of this Assessment Agreement.

5.05. Execution Counterparts. This Assessment Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

5.06. Applicable Law. This Assessment Agreement shall be governed by and construed in accordance with the internal laws of the State of Minnesota.

5.07. Captions. The captions or headings in this Assessment Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Assessment Agreement.

5.08. Effective Date. This Assessment Agreement shall be effective as of April 8, 2021.

5.09. Termination Date. This Assessment Agreement shall terminate upon the termination of the District in accordance with Minnesota Statutes, Section 469.176, subdivision 1.

5.10. Definitions. Terms used with initial capital letters but not defined herein shall have the meanings given such terms in the Redevelopment Agreement, unless the context hereof clearly requires otherwise.

IN WITNESS WHEREOF, the City has caused this Assessment Agreement to be executed in its name by its duly authorized officers and the Developer has caused this Assessment Agreement to be executed in its corporate name.

CITY OF CHASKA, MINNESOTA

By ____
Mayor

And ____
City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF CARVER)

The foregoing instrument was acknowledged before me on this ____ day of ______________, 2021, by _________________, the Mayor, and _________________, the City Administrator, of the City of Chaska, a Minnesota municipal corporation, on behalf of the corporation.

IN WITNESS WHEREOF, I have set my hand and my official seal this ____ day of _____________, 2021.

____
Notary Public

OPPIDAN INCORPORATED, a Minnesota corporation

By: _______________________________________

Its: _______________________________________

STATE OF ____________)
) ss.
COUNTY OF __________)

The foregoing instrument was acknowledged before me on this ___ day of ___________, 2021, by _________________, the ________________________ of OPPIDAN INCORPORATED, a Minnesota corporation.

IN WITNESS WHEREOF, I have set my hand and my official seal this ___ day of __________, 2021.

____
Notary Public

EXHIBIT A
DESCRIPTION OF LAND

The real property and interests in such property located in the County of Carver, State of Minnesota and described as follows:

PID	Legal Description
301840030	Outlot A Chaska Creek Center 2nd Addition
302040070	Outlot E Chaska Creek Center

EXHIBIT B

COPY OF MINNESOTA STATUTES, SECTION 469.177, SUBDIVISION 8

Assessment agreements. An authority may enter into a written assessment agreement with any person establishing a minimum market value of land, existing improvements, or improvements to be constructed in a district, if the property is owned or will be owned by the person. The minimum market value established by an assessment agreement may be fixed, or increase or decrease in later years from the initial minimum market value. If an agreement is fully executed before July 1 of an assessment year, the market value as provided under the agreement must be used by the county or local assessor as the taxable market value of the property for that assessment. Agreements executed on or after July 1 of an assessment year become effective for assessment purposes in the following assessment year. An assessment agreement terminates on the earliest of the date on which conditions in the assessment agreement for termination are satisfied, the termination date specified in the agreement, or the date when tax increment is no longer paid to the authority under section 469.176, subdivision 1. The assessment agreement shall be presented to the county assessor, or city assessor having the powers of the county assessor, of the jurisdiction in which the tax increment financing district and the property that is the subject of the agreement is located. The assessor shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land upon which the improvements are to be constructed and, so long as the minimum market value contained in the assessment agreement appears, in the judgment of the assessor, to be a reasonable estimate, shall execute the following certification upon the agreement:

> The undersigned assessor, being legally responsible for the assessment of the above described property, certifies that the market values assigned to the land and improvements are reasonable

The assessment agreement shall be filed for record and recorded in the office of the county recorder or the registrar of titles of each county where the real estate or any part thereof is situated. After the agreement becomes effective for assessment purposes, the assessor shall value the property under section 273.11, except that the market value assigned shall not be less than the minimum market value established by the assessment agreement. The assessor may assign a market value to the property in excess of the minimum market value established by the assessment agreement. The owner of the property may seek, through the exercise of administrative and legal remedies, a reduction in market value for property tax purposes, but no city assessor, county assessor, county auditor, board of review, board of equalization, commissioner of revenue, or court of this state shall grant a reduction of the market value below the minimum market value established by the assessment agreement during the term of the agreement filed of record regardless of actual market values which may result from incomplete construction of improvements, destruction, or diminution by any cause, insured or uninsured, except in the case of acquisition or reacquisition of the property by a public entity. Recording an assessment agreement constitutes notice of the agreement to anyone who acquires any interest in the land or improvements that is subject to the assessment agreement, and the agreement is binding upon them.

An assessment agreement may be modified or terminated by mutual consent of the current parties to the agreement. Modification or termination of an assessment agreement must be approved by the governing body of the municipality. If the estimated market value for the property for the most recently available assessment is less than the minimum market value established by the assessment agreement for that or any later year and if bond counsel does not conclude that termination of the agreement is necessary to preserve the tax exempt status of outstanding bonds or refunding bonds to be issued, the modification or termination of the assessment agreement also must be approved by the governing bodies of the county and the school district. A document modifying or terminating an agreement, including records of the municipality, county, and school district approval, must be filed for record. The assessor's review and certification is not required if the document terminates an agreement. A change to an agreement not fully executed before July 1 of an assessment year is not effective for assessment purposes for that assessment year. If an assessment agreement has been modified or prematurely terminated, a person may seek a reduction in market value or tax through the exercise of any administrative or legal remedy. The remedy may not provide for reduction of the market value below the minimum provided under a modified assessment agreement that remains in effect. In no event may a reduction be sought for a year other than the current taxes payable year.

EXHIBIT C

ASSESSOR'S CERTIFICATE

The undersigned, being the duly qualified and acting assessor of the City of Chaska, Minnesota, hereby certifies that.

1. I am the assessor responsible for the assessment of the Land described in the foregoing Exhibit A;

2. I have read the foregoing Assessment Agreement dated as of April 5, 2021;

3. I have received and read a duplicate original of the Redevelopment Agreement referred to in the Assessment Agreement;

4. I have received and reviewed the architectural and engineering plans and specifications for the portion of the Project agreed to be constructed on the Land pursuant to the Redevelopment Agreement;

5. I have received and reviewed an estimate prepared by the Developer of the cost of the Land and the portion of the Project to be constructed thereon;

6. I have reviewed the market value previously assigned to the Land on which the applicable portion of the Project is to be constructed, and the minimum market value to be assigned to the Land and the portion of the Project located thereon by the Assessment Agreement is a reasonable estimate; and

7. I hereby certify that the market value assigned to the Land and the portion of the Project located thereon described on the foregoing Exhibit A by the Assessment Agreement is reasonable and the market value assigned to the Land and the portion of the Project located thereon:

(a) for Building One (as defined in the Redevelopment Agreement) the assessment made as of January 2, 2022, shall be not less than $5,937,120, and for the assessment made as of January 2, 2023, and continuing throughout the term of the Assessment Agreement shall be not less than $14,842,800; and

(b) for Building Two (as defined in the Redevelopment Agreement) the assessment made as of January 2, 2023, and continuing throughout the term of the Assessment Agreement shall be not less than $11,750,550.

Dated: ____________, 20__.

____
City Assessor, City of Chaska, Minnesota