



**City of Saint Paul, Minnesota
Neighborhood Sales Tax Revitalization Program**



**FIRST AMENDMENT TO PROMISSORY NOTE, PLEDGE AGREEMENT, LOAN
AGREEMENT AND GRANT AGREEMENT**

Tracking # 21-130

Account Code # 202-11063

Project Title: Wakan Tipi Center

203-11063

CIF # 37448

Effective Dates: September 1, 2024 to March 1, 2032

THIS FIRST AMENDMENT is made effective as of September 1, 2024, by and between **Lower Phalen Creek Project**, a Minnesota nonprofit corporation (the "Borrower" and "Grantee"), and the City of Saint Paul, Minnesota, a municipal corporation (the "Lender" and "Grantor").

WHEREAS, on July 1, 2023, Borrower and Lender executed a STAR Loan and Grant Agreement; and

WHEREAS, in connection with that Loan and Grant Agreement, Borrower and Lender executed an Amortization Schedule, a Pledge Agreement, and Promissory Note; and

WHEREAS, the funds under the Note and under the Loan & Grant Agreement have not yet been disbursed to the Borrower; and

WHEREAS, the parties hereto now desire to modify the Loan & Grant Agreement to change the first re-payment date, on the terms set forth below. Consistent with this modification the Amortization Schedule, the Pledge Agreement, and Promissory Note are amended.

NOW, THEREFORE, for and in consideration of the recitals (which recitals are incorporated by this reference), the mutual covenants and promises hereinafter contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The deferral date of Borrower's obligation to pay principal and interest under the Note is changed from July 1, 2024 to April 1, 2025. Accordingly, Borrower's first payment due under the Note and under the Loan & Grant Agreement is now April 1, 2025.

2. The Maturity Date of the Note is extended to March 1, 2032, and the Effective Dates shall be from September 1, 2024, through March 1, 2032.

3. All late fees, if any, that have been assessed as the date of this Amendment are waived.

4. There shall be no loan modification fee due in connection with this amendment.

5. Except as modified herein, all other terms and conditions of the Promissory Note and Loan & Grant Agreement and its attachments shall remain in full force and effect in accordance with their original terms (except as modified hereby), and all of such documents, as so modified, are hereby ratified and confirmed in all respects.

A. Paragraph VIII – A of the Loan Agreement is modified to reflect that a new Exhibit O (the “Note”) will be signed by Borrower. The updated Exhibit O is attached to this Agreement.

B. Paragraph II is modified to reflect that the Loan and Grant Agreement will now expire on **March 1, 2032**.

C. Attachment L is modified to the updated amortization schedule consistent with this Amendment. The updated Exhibit L is attached to this Agreement.

D. Exhibit Q (the January 1, 2023 “Pledge Agreement”) is amended and updated by the “Amended Pledge Agreement”. The Amended Pledge Agreement replaces the January 1, 2023 Pledge Agreement as Exhibit Q, and is attached to this Agreement.

6. This amendment agreement: (i) is binding upon the parties and their respective successors and assigns; (ii) is governed by and construed in accordance with the substantive laws of the State of Minnesota; (iii) may be executed in any number of counterparts, each of which shall be deemed to be one and the same instrument; and (iv) may be executed using electronic signatures, including DocuSign and Adobe Sign, and such similar electronic signature capabilities.

7. The execution of this amendment agreement shall not be deemed to be a waiver of any event of default under any of the Note, Mortgage, or Loan & Grant Agreement documents, whether or not known to Lender and whether or not existing on the date hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, this First Amendment has been duly executed by the undersigned as of the date first set forth above.

BORROWER and GRANTEE:
LOWER PHALEN CREEK PROJECT

By: _____
Name: _____
Title: _____

LENDER and GRANTOR:
CITY OF SAINT PAUL, MINNESOTA

By: _____
Its: Mayor

By: _____
Its Director, Department of Planning &
Economic Development

Approved as to STAR requirements

By: _____
Its STAR Coordinator

By: _____
Its Director, Office of Financial Services

Approved as to Form:

By: _____
Its Assistant City Attorney



CITY OF SAINT PAUL, MINNESOTA
SALES TAX REVITALIZATION (STAR) PROGRAM



Attachment **O**

AMENDED AND RESTATED STAR PROMISSORY NOTE

Project Title: Wakan Tipi Center

Tracking # 21-130

Name of Borrower: Lower Phalen Creek Project **Account Code:** 203-11063

Amount of Loan \$100,000 **CIF #** 37448

RECITALS

A. Borrower (as defined below) is the borrower under a certain Promissory Note, dated July 1, 2023, in the original principal amount of \$100,000.00 made to the order of Lender (as defined below) (the "Original Note").

B. As of the date hereof, the loan has not yet been disbursed.

C. Borrower has requested that Lender move the payment restart date from July 1, 2024 to April 1, 2025 in an Agreement with an effective date of September 1, 2024 (the "Amendment Agreement").

D. In connection with the change of the repayment start date, under the Amendment Agreement, Borrower desires to amend and restate the Original Note to include the new repayment start date under the Amendment Agreement, and Lender, by its acceptance hereof, agrees to such request and requires that Borrower amend and restate the Original Note as hereinafter provided.

NOW, THEREFORE, the Original Note shall be, and it hereby is, amended and restated in its entirety and is replaced with the following:

FOR VALUE RECEIVED, Lower Phalen Creek Project (the "Borrower") hereby promises to pay to the order of the City of Saint Paul, Minnesota ("Lender" or "City") or its successors and assigns, the principal amount of one hundred thousand dollars and 00/100 (**\$100,000**) together with interest thereon, as follows:

1. The term of this loan shall be 8 years.
2. Payments of principal and interest shall be deferred for one year and no interest will accrue for an 11-month period starting with the beginning of the deferral period.
3. Equal payments of \$ \$1,321.33 shall be due and payable on the first day of each month commencing with April 1, 2025 and continuing thereafter up to and including March 1, 2032 at which time the full amount of principal plus accrued interest shall be due and payable. Each payment when made shall be applied first to the unpaid interest and the remainder in reduction

of the principal. The payments on this note are based on a 7 year amortization schedule with simple interest at the rate of three percent (3%) per annum.

4. All payments must be made in lawful money of the United States. Checks must be made out to the **City of Saint Paul STAR Program** and sent to the following address:

**City of Saint Paul
Accounting Department - STAR Program
1400 City Hall Annex
25 W. Fourth Street
Saint Paul, MN 55102**

5. The entire existing principal balance plus accrued interest shall be immediately due and payable upon relocation of all or any portion of the Borrower's primary business operation, located at 332 Minnesota Street, Suite W1520 in the City of Saint Paul, Minnesota, (the "Property") to any other location outside the City of Saint Paul.

6. If the payment of principal and/or interest is paid more than 15 days after the due date thereof, the undersigned agrees to pay a late payment charge of five percent (5%) of the payment due.

7. All payments made by or for the Borrower hereunder shall, at the option of the Lender, first be applied to payment of interest and the remainder to the payment of principal. If the Borrower is operating a revolving loan program and assigns its interest in an end loan to the City in compliance with the STAR Loan Agreement, then the assignment will constitute a prepayment of this Note and shall be applied to the remaining unpaid principal balance of this Note. Upon prepayment, this Note shall be reamortized and a new monthly payment of principal and interest shall be determined using the remaining principal balance and the remaining term of this Note.

8. Payment of the entire or any portion of the outstanding principal balance plus accrued interest may be made prior to the maturity date hereof without any prepayment penalty.

9. In the event the undersigned shall fail to pay the interest on or principal amount of this STAR Promissory Note ("Note") when due, and if such failure be subsisting, or if any covenant of the Loan Agreement, the Security Agreement, or the Mortgage upon real estate situated in Ramsey County, Minnesota executed and delivered of even date herewith by the Borrower in favor of Lender (the "Security Documents") is breached or if a default exists, the unpaid principal of the Note together with accrued interest shall be immediately due and payable. Failure of Lender to exercise its remedies, legal or equitable, under this Note or the Security Documents, shall not constitute a waiver of such defaults. Upon default under this Note or Security Documents, Lender may accelerate the debt evidenced herein and enforce the Security Documents.

10. If this Note is reduced to judgment, such judgment shall bear the lawful interest rate pertaining to judgments. The undersigned agrees to pay costs of collection including reasonable attorneys' fees and costs.

11. The remedies of the Lender, as provided herein, by law and in the Security Documents, are not exclusive and shall be cumulative and concurrent and may be pursued singly, successively or together, at the sole discretion of the Lender, and may be exercised as often as occasion therefore shall occur, and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

12. The Lender shall not be deemed, by any act or omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Lender and then

only to the extent specifically set forth in writing. A waiver with reference to one event shall not be construed as a bar to or waiver of any right or remedy as to a subsequent event.

13. Demand, protest and notice of demand and protest are hereby waived.

14. This Note is made with reference to and shall be construed in accordance with the laws of the State of Minnesota.

IN WITNESS WHEREOF, the Borrower has executed and delivered this Note on the ____ day of October, 2024.

Signed by business (Non-Profit Corporation) and the Executive Director:

BORROWER

By: _____

Its: _____

AMENDED PLEDGE AGREEMENT

City of Saint Paul, Minnesota
SALES TAX REVITALIZATION (STAR) PROGRAM

THIS PLEDGE AGREEMENT, effective as of September 1, 2024 (this “Agreement”), is made by LOWER PHALEN CREEK PROJECT, a Minnesota non-profit corporation (“Borrower”), for the benefit of the CITY OF SAINT PAUL, Minnesota (the “City”).

RECITALS

A. WHEREAS, pursuant to Resolution No. 21-1194 adopted by the City Council of the City, the City approved a loan to Borrower in the amount of \$100,000 (the “STAR Loan”), which STAR Loan is made under or evidenced by the following (among other documents): (i) September 1, 2024 Amended STAR Loan and Grant Agreement (“Loan Agreement”); (ii) September 1, 2024 Amended and Restated Promissory Note in the Amount of \$100,000, (iii) STAR Loan Security Agreement (“Security Agreement”) with an effective date of July 1, 2023 and identified as Exhibit P of the original STAR Loan and Grant Agreement; and

B. WHEREAS, the proceeds of the STAR Loan are to be used by Borrower at its Wakan Tipi Center in Saint Paul, Minnesota for the purposes described in the Loan Agreement; and

C. WHEREAS, in addition to its grant to the City of a security interest in certain assets as collateral for the STAR Loan in the Security Agreement, Borrower pledged \$100,000 of funds from a Saint Paul & Minnesota Foundation Grant as security for a Promissory Note in a Pledge dated January 1, 2023.

D. WHEREAS, funds from the Saint Paul & Minnesota Foundation Grant will be disbursed prior to repayment of the Promissory Note, so to further secure funds to repay the Promissory Note, Borrower will now pledge to set aside \$110,991.64 of funds in the Wakan Tipi Awanyakapi reserve fund to secure the Amended and Restated Promissory Note.

E. WHEREAS, the January 1, 2023 pledge is amended to change the collateral to secure the Amended and Restated Promissory Note from the Saint Paul & Minnesota Foundation Grant to a pledge by Borrower to set aside \$110,991.64 of funds in the Wakan Tipi Awanyakapi reserve fund.

NOW, THEREFORE, in consideration of the STAR Loan and the Loan Agreement and the mutual covenants and agreements contained therein, Borrower hereby covenants and agrees as follows:

1. Pledge of Reserve Funds. Borrower pledges to the City, for the payment of the principal of and interest on the STAR Loan, funds from the Wakan Tipi Awanyakapi Reserve Fund in an amount sufficient for the payment of the principal and interest on the STAR Loan as each payment thereunder becomes due, or \$110,991.64, whichever is greater.

Borrower agrees that, during the term of this Agreement, it shall not pledge the amount set aside from the reserve fund to any other obligations, purpose, or use on a superior or parity basis without the advance written consent of the City, but an expressly subordinate pledge may be made without the consent of the City.

The January 1, 2023 Pledge of funds from the Saint Paul & Minnesota Foundation Grant is replaced by this Amended Pledge Agreement, but only after this Amended Pledge Agreement takes effect on September 1, 2024.

2. Remittance of Grant Funds. Borrower agrees that, upon the request of the City, a portion of the reserve funds shall be promptly delivered to the City for the payment of principal and interest payable under the STAR Loan. This Agreement will terminate automatically upon the date that Borrower has repaid the STAR Loan in full. The City, acting as agent of the Borrower, will apply any of the set-aside reserve funds first to accrued interest and then to outstanding principal.

3. Limited Power of Attorney. If Borrower shall fail to perform or observe any of its obligations under this Agreement or any of the other documents that evidence or secure the STAR Loan, then Borrower shall be deemed in default of this Agreement and, in addition, the City, in the name of or acting on behalf of Borrower, may perform or observe such obligations in such agreement, including directing the Borrower to pay Wakan Tipi Awanyankapi Reserve Funds to the City to be applied to principal or interest under the STAR Loan.

5. Miscellaneous. This Agreement shall be governed by the laws of the State of Minnesota and may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement. This Amendment is binding upon the parties and their respective successors and assigns, may be executed using electronic signatures, including DocuSign and Adobe Sign, and such similar electronic signature capabilities.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the Borrower has executed and delivered this Pledge Agreement as of the day and year first above written.

BORROWER:

LOWER PHALEN CREEK PROJECT,
a Minnesota non-profit corporation

By: _____
Name: Maggie Lorenz
Title: Executive Director

Execution page of the Borrower to the Pledge Agreement, dated as of the date first written above.

ATTACHMENT L: AMORTIZATION SCHEDULE			
FIRM NAME:	Lower Phalen Creek Project		
PRINCIPAL	\$100,000	1ST PAYMENT DATE	4/1/2025
INTEREST RATE	3.00%	MONTHLY PAYMENT	\$1,321.33
# OF INSTALLMENTS	84	PAYMENTS/YEAR	12
TERM	8	ANNUAL DEBT SERVICE	\$15,855.96
	PRINCIPAL	INTEREST	REMAINING
DATE	PAYMENT	PAYMENT	PRINCIPAL
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4/1/2025	\$1,071.33	\$250.00	\$98,928.67
5/1/2025	\$1,074.01	\$247.32	\$97,854.66
6/1/2025	\$1,076.69	\$244.64	\$96,777.97
7/1/2025	\$1,079.39	\$241.94	\$95,698.58
8/1/2025	\$1,082.08	\$239.25	\$94,616.50
9/1/2025	\$1,084.79	\$236.54	\$93,531.71
10/1/2025	\$1,087.50	\$233.83	\$92,444.21
11/1/2025	\$1,090.22	\$231.11	\$91,353.99
12/1/2025	\$1,092.95	\$228.38	\$90,261.04
1/1/2026	\$1,095.68	\$225.65	\$89,165.36
2/1/2026	\$1,098.42	\$222.91	\$88,066.94
3/1/2026	\$1,101.16	\$220.17	\$86,965.78
4/1/2026	\$1,103.92	\$217.41	\$85,861.86
5/1/2026	\$1,106.68	\$214.65	\$84,755.18
6/1/2026	\$1,109.44	\$211.89	\$83,645.74
7/1/2026	\$1,112.22	\$209.11	\$82,533.52
8/1/2026	\$1,115.00	\$206.33	\$81,418.52
9/1/2026	\$1,117.78	\$203.55	\$80,300.74
10/1/2026	\$1,120.58	\$200.75	\$79,180.16
11/1/2026	\$1,123.38	\$197.95	\$78,056.78
12/1/2026	\$1,126.19	\$195.14	\$76,930.59
1/1/2027	\$1,129.00	\$192.33	\$75,801.59
2/1/2027	\$1,131.83	\$189.50	\$74,669.76
3/1/2027	\$1,134.66	\$186.67	\$73,535.10
4/1/2027	\$1,137.49	\$183.84	\$72,397.61
5/1/2027	\$1,140.34	\$180.99	\$71,257.27
6/1/2027	\$1,143.19	\$178.14	\$70,114.08
7/1/2027	\$1,146.04	\$175.29	\$68,968.04
8/1/2027	\$1,148.91	\$172.42	\$67,819.13
9/1/2027	\$1,151.78	\$169.55	\$66,667.35
10/1/2027	\$1,154.66	\$166.67	\$65,512.69
11/1/2027	\$1,157.55	\$163.78	\$64,355.14
12/1/2027	\$1,160.44	\$160.89	\$63,194.70
1/1/2028	\$1,163.34	\$157.99	\$62,031.36
2/1/2028	\$1,166.25	\$155.08	\$60,865.11
3/1/2028	\$1,169.17	\$152.16	\$59,695.94
4/1/2028	\$1,172.09	\$149.24	\$58,523.85
5/1/2028	\$1,175.02	\$146.31	\$57,348.83

6/1/2028	\$1,177.96	\$143.37	\$56,170.87
7/1/2028	\$1,180.90	\$140.43	\$54,989.97
8/1/2028	\$1,183.86	\$137.47	\$53,806.11
9/1/2028	\$1,186.81	\$134.52	\$52,619.30
10/1/2028	\$1,189.78	\$131.55	\$51,429.52
11/1/2028	\$1,192.76	\$128.57	\$50,236.76
12/1/2028	\$1,195.74	\$125.59	\$49,041.02
1/1/2029	\$1,198.73	\$122.60	\$47,842.29
2/1/2029	\$1,201.72	\$119.61	\$46,640.57
3/1/2029	\$1,204.73	\$116.60	\$45,435.84
4/1/2029	\$1,207.74	\$113.59	\$44,228.10
5/1/2029	\$1,210.76	\$110.57	\$43,017.34
6/1/2029	\$1,213.79	\$107.54	\$41,803.55
7/1/2029	\$1,216.82	\$104.51	\$40,586.73
8/1/2029	\$1,219.86	\$101.47	\$39,366.87
9/1/2029	\$1,222.91	\$98.42	\$38,143.96
10/1/2029	\$1,225.97	\$95.36	\$36,917.99
11/1/2029	\$1,229.04	\$92.29	\$35,688.95
12/1/2029	\$1,232.11	\$89.22	\$34,456.84
1/1/2030	\$1,235.19	\$86.14	\$33,221.65
2/1/2030	\$1,238.28	\$83.05	\$31,983.37
3/1/2030	\$1,241.37	\$79.96	\$30,742.00
4/1/2030	\$1,244.48	\$76.85	\$29,497.52
5/1/2030	\$1,247.59	\$73.74	\$28,249.93
6/1/2030	\$1,250.71	\$70.62	\$26,999.22
7/1/2030	\$1,253.83	\$67.50	\$25,745.39
8/1/2030	\$1,256.97	\$64.36	\$24,488.42
9/1/2030	\$1,260.11	\$61.22	\$23,228.31
10/1/2030	\$1,263.26	\$58.07	\$21,965.05
11/1/2030	\$1,266.42	\$54.91	\$20,698.63
12/1/2030	\$1,269.58	\$51.75	\$19,429.05
1/1/2031	\$1,272.76	\$48.57	\$18,156.29
2/1/2031	\$1,275.94	\$45.39	\$16,880.35
3/1/2031	\$1,279.13	\$42.20	\$15,601.22
4/1/2031	\$1,282.33	\$39.00	\$14,318.89
5/1/2031	\$1,285.53	\$35.80	\$13,033.36
6/1/2031	\$1,288.75	\$32.58	\$11,744.61
7/1/2031	\$1,291.97	\$29.36	\$10,452.64
8/1/2031	\$1,295.20	\$26.13	\$9,157.44
9/1/2031	\$1,298.44	\$22.89	\$7,859.00
10/1/2031	\$1,301.68	\$19.65	\$6,557.32
11/1/2031	\$1,304.94	\$16.39	\$5,252.38
12/1/2031	\$1,308.20	\$13.13	\$3,944.18
1/1/2032	\$1,311.47	\$9.86	\$2,632.71
2/1/2032	\$1,314.75	\$6.58	\$1,317.96
3/1/2032	\$1,317.96	\$3.29	\$0.00
Total	\$100,000.00	\$10,991.64	
Total paid	\$110,991.64		