



## Legislation Text

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**File #:** RES 20-352, **Version:** 1

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Approving and authorizing the subordination, assignment, and assumption of the City of Saint Paul's Metropolitan Council's Neighborhood Commercial Spaces, LLC's loan in the original amount of \$1,450,000 to Neighborhood Development Center Entrepreneur Training Center (District 7, Ward 1).

WHEREAS, on January 17, 2018, the City of Saint Paul, Minnesota (the "CITY"), a municipal corporation organized under the laws of Minnesota, accepted a Metropolitan Council grant in the amount of \$1,450,000 on behalf of Neighborhood Commercial Spaces, LLC, to acquire certain parcels located on the northwest corner of University Avenue & Dale Street in Saint Paul (the "Property") and

WHEREAS, the CITY acquired these parcels on August 15, 2018; and

WHEREAS, the CITY's collateral is currently in a first-position mortgage on the Property; and

WHEREAS, it is being requested that the CITY's collateral be subordinate to a senior, first mortgage held by Sunrise Banks N.A., in the amount of \$6,000,000; and

WHEREAS, it is being requested that the CITY's collateral be subordinate to a second-position mortgage held by MMCDC New Market Funds LV, LLC in the amount of \$3,000,000; and

WHEREAS, it is being requested that the CITY allow Neighborhood Development Center (NDC) Entrepreneur Training Center to assume the CITY's Metropolitan Council grant to Neighborhood Commercial Spaces, LLC; and

WHEREAS, the Department of Planning and Economic Development's Credit Committee reviewed and recommended approval of this assignment, assumption, and subordination on January 22, 2020; and

NOW, THEREFORE, BE IT RESOLVED, upon the recommendation of the Mayor, the Council of the City of Saint Paul hereby approves the requested assignment, assumption, and subordination and authorizes and directs the appropriate City officials to negotiate and execute the necessary legal documents to implement this Resolution, consistent with the above-described terms and such other terms and conditions which are not adverse to the CITY, subject to approval by the City Attorney; and be it

FINALLY RESOLVED, the staff of the Department of Planning and Economic Development are further authorized and directed to proceed with all other actions necessary to implement this Resolution.