

CITY OF NORTHFIELD, MN
NORTHFIELD ECONOMIC DEVELOPMENT AUTHORITY (EDA) RESOLUTION 2024-006
EXPRESSING SUPPORT FOR THE PROPOSED USE OF EDA LEASE REVENUE BOND
FINANCING FOR A NEW ICE ARENA PROJECT OF THE CITY

WHEREAS, the City of Northfield has been exploring solutions for the Ice Arena over the last 20-years; and

WHEREAS, the City of Northfield strategic plan has identified a critical need to find a solution to the aging Ice Arena; and

WHEREAS, the City of Northfield is committed to being wise stewards of the resources and leveraging partnerships to foster solutions for community facilities such as the Ice Arena; and

WHEREAS, City Council Resolution 2024-066 approves the general terms of the financial partnership and authorizes staff to move forward with:

1. Finalizing sale terms of the existing Northfield Ice Arena; and
2. Working with the Northfield Economic Development Authority (the “EDA”) on lease revenue financing of the new Ice Arena; and
3. Preparing lease terms with City of Dundas and Northfield School District; and
4. Preparing general outline of understanding Northfield Hockey Association private donations; and
5. approved a contract with JLG Architects Inc. for a New Ice Arena; and

WHEREAS, the City of Northfield has reached a consensus with community partners to build a new Ice Arena as follows:

1. City of Northfield will contribute sale proceeds from the sale of the existing Ice Arena toward construction of New Ice Arena; and
2. Northfield School District lease cost of \$200,000 annually over 20 years; and
3. Northfield Hockey Association \$2 Million in private fundraising toward the New Ice Arena; and
4. Northfield Hockey Association Donation of approximately 7 Acres of land with an estimated market value of \$375,000; and
5. City of Dundas and City of Northfield will share the remaining costs of an estimated \$20.9 Million New Ice Arena less the costs listed above. The cost split will be based on the net tax capacity of each City which in Pay 2024 currently approximates 87.9% for the City of Northfield and 12.1% for the City of Dundas; and

WHEREAS, the City of Northfield is authorized by Minnesota Statutes, Section 465.71, as amended, to acquire real and personal property under lease-purchase agreements; and

WHEREAS, the EDA is authorized by Minnesota Statutes, Sections 469.090 to 469.1082 (the “Act”), and specifically Section 469.103 thereof, to issue revenue bonds for any of its corporate purposes, and to pledge thereto income and revenues of the EDA, including

without limitation revenues received under a lease with the City of Northfield; and

WHEREAS, the City of Northfield proposes to enter into a lease with the EDA pursuant to which the City will make rental payments in an amount sufficient to pay all of the principal of and interest on the bonds issued by the EDA to finance the Ice Arena as well as pay the operating, maintenance, insurance and all other expenses of the Ice Arena;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS (THE "BOARD") OF THE NORTHFIELD ECONOMIC DEVELOPMENT AUTHORITY THAT:

1. The Board supports the New Ice Arena and the use of EDA lease revenue bond financing for the New Ice Arena; and
2. Subject to details to be set forth in resolutions to be considered by the EDA Board and the City Council at a subsequent meeting of each body, the EDA will cooperate with the City if the City approves of the general terms of a financial partnership and recommends and requests the issuance of Lease Revenue Bonds (the "Bonds") to finance the New Ice Arena; and
3. The officers, employees and agents of the City are hereby authorized to proceed with the preparation of such documents, certificates, and instruments for consideration by the Board at a future meeting.

PASSED by the Economic Development Authority of the City of Northfield on this 23rd day of September, 2024.

ATTEST

President

Treasurer

VOTE: Y ALLEN Y BEAHAM Y BLAZIS Y HOLMES
 Y PETERSON WHITE N STROBEL Y YODER