

HOUSING AND REDEVELOPMENT AUTHORITY IN AND
FOR THE CITY OF NORTHFIELD
COUNTIES OF DAKOTA AND RICE
STATE OF MINNESOTA

RESOLUTION NO. -_____

RESOLUTION APPROVING AMENDMENTS TO THE A SENIOR HOUSING
REVENUE REFUNDING NOTE (NORTHFIELD RETIREMENT COMMUNITY
PROJECT), SERIES 2013B AND AUTHORIZING THE REISSUANCE THEREOF

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners (the “Board”) of the Housing and Redevelopment Authority in and for the City of Northfield, Minnesota (the “HRA”) as follows:

Section 1. Recitals.

1.01. On June 27, 2013, the HRA issued its Senior Housing Revenue Refunding Note (Northfield Retirement Community Project), Series 2013B, in the original aggregate principal amount of \$10,000,000 (the “Series 2013B Note”), pursuant to Minnesota Statutes, Chapter 462C, as amended, and a resolution adopted by the Board on June 13, 2013 (the “Note Resolution”). The HRA loaned the proceeds of the Series 2013B Note (the “Loan”) to Northfield Care Center, Inc. and Northfield ParkView, Inc., both Minnesota nonprofit corporations (collectively, the “Original Borrowers”), pursuant to the terms of a Loan Agreement, dated as of June 27, 2013 (the “Loan Agreement”), between the HRA and the Borrowers. The HRA assigned its rights to the basic payments and certain other rights under the Loan Agreement to Choice Financial Group dba Choice Bank (previously known as Venture Bank) (the “Lender”), pursuant to a Pledge Agreement, dated as of June 27, 2013 (the “Pledge Agreement”), between the HRA and the Lender.

1.02. The Borrowers used the proceeds of the Series 2013B Note to refund the HRA’s Housing Revenue Bonds, Series 2006A and Housing Revenue Bonds, Series 2006B (Northfield Retirement Center Project) which previously financed the expansion and remodeling of existing multifamily senior rental housing facilities known as Northfield ParkView located at 910 Cannon Valley Drive and financed construction of the memory care facility known as Evergreen Lodge located at 912 Cannon Valley Drive West in the City (collectively, the “Housing Facilities”) and the existing skilled nursing facility known as Northfield Care Center located at 900 Cannon Valley Drive (the “Northfield Care Center” and, together with the Housing Facilities, the “Project”).

1.03. Vivie Senior Living of Northfield LLC, the sole member of which is Vivie (formerly known as KNWM), a Minnesota nonprofit corporation (the “Borrower”) are acquiring the Project from the Original Borrowers. The Borrower will assume all of the Original Borrower’s obligations under the Loan Agreement, Pledge Agreement, and the Series 2013B Note pursuant to a Master Assignment and Assumption Agreement (collectively, the “Amendments”).

1.04. The HRA has been advised by Kutak Rock LLP, acting as bond counsel (“Bond Counsel”), that the proposed amendments constitute a significant modification of the Series 2013B Note and will cause a “reissuance” of the Series 2013B Note for tax purposes (the “Reissuance”) pursuant to Section 1.1001-3 of the Treasury Regulations promulgated under the Internal Revenue Code of 1986, as amended (the “Code”). For tax purposes, the Series 2013B Note will be treated as being refunded on the effective date of the Amendments.

1.05. On May 6, 2025, the City Council of the City of Northfield, Minnesota will hold a duly noticed public hearing as required by Section 147(f) of the Code regarding the approval of the Amendments, where all persons interested will be given the opportunity to be heard.

Section 2. Findings; Authorizations and Approvals.

2.01. Subject to approval by the City Council, the Board of Commissioners consents to and approves the Reissuance and consents to and approves any related documents necessary in connection therewith, including without limitation an endorsement to a tax certificate and an Information Return for Tax-Exempt Private Activity Bond Issues, Form 8038, and the Amendments (collectively, the “Amendment Documents”), and hereby authorizes and directs the Chair and the Secretary of the HRA to execute the Amendment Documents to which the HRA is a party on behalf of the HRA, and to carry out, on behalf of the HRA, the HRA’s obligations thereunder.

2.02. The approval hereby given to the Amendment 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 HRA and the City 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 HRA. The execution of any instrument by the appropriate officers of the HRA 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 Board by any duly designated acting official, or by such other officer or officers of the HRA as, in the opinion of legal counsel to the HRA, may act in their behalf.

2.03. The Chair and the Secretary are hereby designated as the representatives of the HRA with respect to the Series 2013B Note and the Amendment Documents. The Chair and the Secretary, and other officers of the HRA are authorized and directed to execute and deliver any and all certificates, agreements, or other documents which are required by the Loan Agreement, or deemed necessary by Bond Counsel in connection with the Reissuance, the Series 2013B Note, or are required by Bond Counsel to complete the Amendments to the Series 2013B Note and establish the validity or enforceability of the Series 2013B Note or the exclusion from gross income of interest on the Series 2013B Note for purposes of federal income taxation and State of Minnesota taxation.

2.04. As provided in the Loan Agreement and the Note Resolution, the Series 2013B Note shall not be payable from nor charged upon any funds other than the revenues pledged to its payment, nor shall the HRA or the City be subject to any liability thereon, except as otherwise provided in this paragraph. No holder of the Series 2013B Note shall ever have the right to compel any exercise by the HRA or the City of its taxing powers to pay any of the Series 2013B Note or the interest or premium thereon, or to enforce payment thereof against any property of the HRA or the City except the interests of the HRA in the Loan Agreement and the revenues and assets thereunder, which have been assigned to the Lender pursuant to the Pledge Agreement. The Series 2013B Note shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the HRA or the City, except the interests of the HRA in the Loan Agreement, and the revenues and assets thereunder, which have been assigned to the Lender pursuant to the Pledge Agreement.

2.05. In order to qualify the reissued Series 2013B Note as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code, the HRA hereby makes the following factual statements and representations;

- (a) the Series 2013B Note will be issued after August 7, 1986;

(b) the Series 2013B Note is not treated as a “private activity bond” under Section 265(b)(3) of the Code;

(c) the aggregate face amount of the issue of the reissued Series 2013B Note is not greater than \$10,000,000;

(f) the Series 2013B Note was previously designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code, the average maturity of the reissued Series 2013B Note is not longer than the average maturity of the Series 2013B Note and the reissued Series 2013B Note does not mature later than 30 years after the date the Series 2013B Note was issued. Therefore the Series 2013B Note is deemed designated as a “qualified tax-exempt obligation” for purposes of Section 265(b)(3) of the Code to the extent the principal amount of the Series 2013B Note does not exceed the outstanding principal balance of the Series 2013 Series 2013B Note; and

(g) the HRA hereby designates any principal amount of the reissued Series 2013B Note which exceeds the outstanding principal balance of the Series 2013B Note as a qualified tax-exempt obligation for purposes of Section 265(b)(3) of the Code.

2.06. The Borrower shall pay all costs of the Amendments and the Reissuance.

Adopted by the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Northfield, Minnesota this 1st day of May, 2025.

ATTEST:

Galen Malecha, Chair

Brent Nystrom, Secretary

VOTE: ___ CROW ___ MALECHA ___ NYSTROM
 ___ THOMAS ___ THORSTEINSON ___ SOKUP