

**Credit Committee
Regular Board Meeting
June 25, 2024**

Board Chair Slaven and Committee Chair Mullin are calling a meeting of the Credit Committee and Board of Commissioners for **Tuesday, June 25, 2024**.

The Credit Committee meeting will start at 1:30 p.m., and the Board meeting will start at 2:00 p.m. in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street No., Suite 240, St. Paul, MN.

Credit Committee

Minutes

Approval of the Minutes from the May 28, 2024 Credit Committee Meeting

Conflicts of Interest

Conflicts with any Items on the Agenda

Old Business

1. Conveyance of Land to Amani Construction & Development, LLC – Beacon Bluff Business Center
2. Authorization to Accept Grant Funding for the Construction of Serenity Townhomes on Behalf of Amani Construction & Development, LLC

New Business

1. Cork Nutty, LLC PACE Application – Approval of a \$78,000 PACE Trillion BTU Loan
2. Court West, LLC PACE Application – Approval of a \$353,000 PACE Business Development Fund Loan
3. Energy Park Utility Company Franchise Approval of Rates
4. Authorization to Enter into Loan Documents to Lend \$550,000 to The Heights Community Energy, Inc. to Fund the Design of an Aquifer Thermal Energy Geo-Exchange, Heat Pump District Energy System at The Heights
5. Authorization to Enter into a Development Agreement with The Heights Community Energy, Inc.
6. Authorization to Accept Federal Grant Funding for Capital Improvement Projects at Barge Terminal 2

Such Other Business That May Come Before the Committee

Regular Board Meeting

Minutes

Approval of the Minutes from the May 28, 2024 Board Meeting

Conflicts of Interest

Conflicts with any Items on the Agenda

Old Business

Credit Committee

1. Resolution No. 4780 - Conveyance of Land to Amani Construction & Development, LLC
- Beacon Bluff Business Center
2. Resolution No. 4781 - Authorization to Accept Grant Funding for the Construction of
Serenity Townhomes on Behalf of Amani Construction &
Development, LLC

New Business

Credit Committee

1. Resolution No. 4787 - Energy Park Utility Company Franchise Approval of Rates
2. Resolution No. 4788 - Authorization to Enter into Loan Documents to Lend \$550,000 to the
Heights Community Energy, Inc. to Fund the Design of an Aquifer
Thermal Energy Geo-Exchange, Heat Pump District Energy System at The
Heights
3. Resolution No. 4789 - Authorization to Enter into a Development Agreement with The Heights
Community Energy, Inc.
4. Resolution Nos. Authorization to Accept Grant Funding for Capital Improvement Projects
at Barge Terminal 2

4790 – Barge Terminal 2 Dockwall Rehabilitation Project (MARAD Grant)
4791 – Barge Terminal 2 Boat Ramp Project (FEMA Grant)

Such Other Business That May Come Before the Board

1. The Heights Update

cc: City Clerk
Reporters

**CREDIT COMMITTEE MEETING
MAY 28, 2024**

The meeting of the Port Authority Credit Committee was held on May 28, 2024, at 1:52 p.m. in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street, Suite 240, Saint Paul, Minnesota, 55102.

The following Committee Members were present:

Don Mullin	Matt Slaven	John Bennett
Angela Riffe		

Also, present were the following:

Jan Almquist	Tonya Bauer	Rick Howden
Todd Hurley	Holly Huston	Sarah Illi
Bruce Kessel	Annamarie Kosel	Dana Krueger
Emily Lawrence	Kathryn Sarnecki	Laurie Siever
Gao lab Thao	Nikki Tix	Eve Turner
Phoua Vang	Annie Watson	Kristine Williams
Linda Williams	J.P. Yohannes	

Cheniqua Johnson, City of Saint Paul

Melanie Johnson, City of Saint Paul

Rebecca Noecker, City of Saint Paul

Lucas Chase, CliftonLarsonAllen

Christopher Knopik, CliftonLarsonAllen

Joanne Kuria, Amani Construction & Development, LLC

Jeniffer Kuria, Amani Construction & Development, LLC

Andrew Kasid, District Energy

Nneka Constantino, Merrill Lynch

APPROVAL OF MINUTES

Committee Member Riffe made a motion to approve the minutes of the April 30, 2024, special Credit Committee meeting. The motion was seconded by Committee Member Bennett and carried unanimously.

CONFLICTS OF INTEREST

There were no conflicts of interest with any items on the agenda.

AGENDA ITEMS

**CORCORAN INDUSTRIAL PROPERTIES, LLC PACE
APPLICATION – APPROVAL OF A \$432,700 PACE TRILLION BTU LOAN**

Ms. Huston reviewed her memorandum with the Committee requesting approval to initiate a PACE Trillion BTU loan for approximately \$432,700 to Corcoran Industrial Properties, LLC to add solar to its property located in Loretto, Minnesota. Committee Member Bennett made a motion to approve the request. The motion was seconded by Committee Member Riffe and carried unanimously.

POST OFFICE, LLC PACE APPLICATION – APPROVAL OF A \$500,000 PACE TRILLION BTU LOAN

Ms. Huston reviewed her memorandum with the Committee requesting approval for the Port Authority to initiate a PACE Trillion BTU loan for approximately \$500,000 to Post Office, LLC to add energy efficient HVAC, lighting, and solar to its property located in St. Cloud, Minnesota. Committee Member Riffe made a motion to approve the request. The motion was seconded by Committee Member Slaven and carried unanimously.

CONVEYANCE OF LAND TO AMANI CONSTRUCTION & DEVELOPMENT, LLC – BEACON BLUFF BUSINESS CENTER

Ms. Williams reviewed her memorandum with the Committee requesting approval of the conveyance of a 0.65-acre parcel of land to Amani Construction & Development, LLC (“Amani”) located at the Beacon Bluff Business Center.

Discussion included, but was not limited to, the importance of a process for the disposition of Port Authority land; the impact of the potential transaction on job growth and tax base; the residential nature of the transaction and alignment with the Port Authority mission; potential for identifying an industrial or mixed-use user for the site; the site’s physical and geographic limitations and zoning restrictions; social equity considerations with respect to the sale of Port Authority land and the related impact on wealth generation opportunities; the structure of the partnership between Amani and the Rondo Community Land Trust (“RCLT”); a desire for a representative from RCLT to attend a Board meeting and provide the Board with information relating to its involvement in the transaction; community engagement efforts generally and engagement with the District Council specifically; the Port Authority’s property disposition strategy; expressed support for efforts to develop affordable housing on the East Side of Saint Paul; and a desire to ensure that the East Side community would have access to these townhomes.

Commissioner Slaven made a motion to approve the request. The motion was seconded by Commissioner Bennett and carried unanimously.

AUTHORIZATION TO ACCEPT GRANT FUNDING FOR THE CONSTRUCTION OF SERENITY TOWNHOMES ON BEHALF OF AMANI CONSTRUCTION & DEVELOPMENT LLC

Mr. Howden reviewed his memorandum with the Committee requesting authorization to accept grant funding from the Metropolitan Council’s Local Housing Incentives Account on behalf of Amani for a townhome development to be constructed on Beacon Bluff Parcel 9 in Saint Paul, Minnesota.

Committee Member Slaven made a motion to approve the request. The motion was seconded by Committee Member Riffe and carried unanimously.

**APPROVAL OF LEASE AMENDMENT TO INCLUDE MMB
LANGUAGE FOR UPPER RIVER SERVICES – BARGE TERMINAL 2**

Ms. Williams reviewed her memorandum with the Committee requesting approval of a Lease Amendment for Upper River Services (“URS”) to include specific language required by the Minnesota Office of Management and Budget in URS’s lease for its facility located in Barge Terminal No. 2. Committee Member Riffe made a motion to approve the request. The motion was seconded by Committee Member Slaven and carried unanimously.

APPROVAL OF LEASE EXTENSION FOR BWC TERMINALS, LLC – BARGE TERMINAL NO. 1

Ms. Williams reviewed her memorandum with the Committee requesting approval of a lease extension for BWC Terminals, LLC (“Tenant”) to extend the current term of the lease for premises located at 2175, 2229, 2145 and 2209 Childs Road located in Barge Terminal No. 1, Saint Paul, Minnesota. Committee Member Riffe made a motion to approve the request. The motion was seconded by Committee Member Slaven and carried unanimously.

**APPROVAL OF LEASE AMENDMENT AND RENTAL RATE ADJUSTMENT
FOR THE CITY OF SAINT PAUL IMPOUND LOT – SOUTHPORT TERMINAL**

Ms. Williams reviewed her memorandum with the Committee requesting approval of a Lease Amendment and Rental Rate Adjustment for the Port Authority to adjust the term, rental rates, and tonnage (per car) rates for land in the Southport Terminal leased by the City of Saint Paul, located at 40 State Street, Saint Paul, Minnesota. Committee Member Slaven made a motion to approve the request. The motion was seconded by Committee Member Riffe and carried unanimously.

APPROVAL OF DECLARATION OF COVENANTS – THE HEIGHTS RESIDENTIAL LOTS

Ms. Sarnecki reviewed her memorandum with the Committee requesting approval of the development covenants for the residential sites, buildings, and landscaping design for the residential lots at The Heights. Committee Member Bennett made a motion to approve the request. The motion was seconded by Committee Member Slaven and carried unanimously.

SUPPORT FOR CREATION OF 501(c)3 ORGANIZATION – THE HEIGHTS COMMUNITY ENERGY

Ms. Sarnecki reviewed her memorandum with the Committee requesting approval for a resolution in support of (1) the creation of a new non-profit company, The Heights Community Energy, Inc. (“HCE”) and its development of a geothermal heating and cooling system (the “System”) at The Heights; and (2) HCE’s application for recognition as a 501(c)(3) tax-exempt organization with the Internal Revenue Service. Committee Member Riffe made a motion to approve the request. The motion was seconded by Committee Member Bennett and carried unanimously.

There being no further business, the meeting was adjourned at 3:00 p.m.


By: _____

Its: _____

UPDATED MEMORANDUM

To: CREDIT COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: June 25, 2024

From: Kristine Williams 

Subject: Credit Committee
**CONVEYANCE OF LAND TO AMANI CONSTRUCTION & DEVELOPMENT, LLC –
BEACON BLUFF BUSINESS CENTER / PID No. 28-29-22-34-0024**

Board of Commissioners

**CONVEYANCE OF LAND TO AMANI CONSTRUCTION & DEVELOPMENT, LLC – BEACON
BLUFF BUSINESS CENTER / PID No. 28-29-22-34-0024**

RESOLUTION NO. 4780

Action Requested:

Approval of the conveyance of a 0.65-acre parcel of land to Amani Construction & Development, LLC (“Amani” or “Buyer”) located at the Beacon Bluff Business Center.

Background:

The Port Authority established the Beacon Bluff Business Center in 2010 to redevelop the former 3M East Side Campus and surrounding lands. A brief history of the site marketing since its 2010 acquisition includes:

- Listed as available property at Port Authority and BeaconBluff.com websites
- License agreement for parking with Loomis and a local church for a number of years, but continuously listed as “available” during that time
- Based on the Port Authority’s Strategic Plan, staff engaged in extensive outreach to emerging developers to identify potential uses of remnant parcels
- Staff engaged with project partners throughout the community to identify emerging developers and bring forward potential partnership opportunities
- Port Authority staff spoke with HRA to market certain remnants, including the subject parcel, for residential uses
- Discussions with Amani first began in October 2021

The subject parcel, identified as Beacon Bluff Parcel 9, is one of the last remaining parcels in the business center but is unsuitable for industrial development due to its size, zoning, and proximity to existing single family homes.

Attached is a memorandum outlining the terms for a land conveyance transaction with Amani for Beacon Bluff Parcel 9. Amani is a minority-owned, emerging developer in the residential market. Amani has successfully completed affordable housing projects in the Twin Cities and intends to construct for-sale affordable townhomes on the subject parcel, in partnership with Rondo Community Land Trust, marketed first to the surrounding community.

UPDATED MEMORANDUM

The proposed project will employ a land trust model to ensure long term affordability and sustainable ownership within the community. The proposal includes a minimum of seventeen townhomes with three and four-bedroom units for large or multigenerational families.

A public hearing with respect to this matter was held at the Board's May meeting, on May 28, 2024.

Recommendation:

We recommend approval of the conveyance of a parcel of land to Amani located at the Beacon Bluff Business Center.

Attachments: Land Conveyance Transaction
 Site Plan
 Resolution

SAINT PAUL PORT AUTHORITY

LAND CONVEYANCE TRANSACTION

Action Requested:

To approve the conveyance of real property from the Port Authority of the City of Saint Paul (the “Port Authority” or “Seller”), located at the northeast corner of Bush Avenue and Cypress Street, for the construction of a for-sale affordable townhome development consisting of at least seventeen (17) townhome units.

Development Officer:

Kristine Williams

Grantee:

Amani Construction & Development, LLC

Grantee Address:

1007 W Broadway
Minneapolis, MN 55411

Location of Property to be Conveyed:

The site is located at the northeast corner of Bush Avenue and Cypress Street in our Beacon Bluff development and measures approximately 0.65 acres.

Conveyance Structure:

Conveyance of land via Limited Warranty Deed. The property is being sold for \$1.00, plus Buyer obligations that include adherence to the Beacon Bluff protective covenants. Both Buyer and Seller have conditions that must be met prior to transferring title of the real estate. Buyer’s contingencies include site and building approvals, its Board approval, and financing. The Seller’s contingencies include Board approval, approval of the Buyer’s site and architectural design, and Buyer’s financing.

The contingency period for the transaction is 180 days after the effective date of the Purchase Agreement with closing to take place no later than 60 days after the Buyer and Seller have waived contingencies.

Other terms and conditions of the proposed purchase agreement include:

- A. The Buyer has agreed to analyze and implement sustainable design concepts, as appropriate, into the design of its facility.
- B. The Buyer has agreed to pay an initial \$2,000 earnest money deposit (“Earnest Money”) which is to be held by Seller until the end of the Contingency Period. At the end of such period, the Earnest Money shall become non-refundable.
- C. Buyer has agreed to pay prevailing wages, or more, for all skilled and unskilled labor for the proposed construction and enter into a Project Labor Agreement.

Nature of Intended Use:

A for-sale townhome development of at least seventeen (17) townhomes including four 4-bedroom units for large and multigenerational families. The project is being developed with a land trust model to ensure long-term affordability and sustainable home ownership within the community.

Market value of the development is estimated at \$5.5 Million, resulting in over \$80,000 of property taxes annually and nearly 150 construction jobs.

Business Subsidy Agreement

This is a residential development. There is no Business Subsidy Agreement required for this transaction.

Exception from Port's Development Criteria/Covenants:

The Port Authority's development criteria ("Development Criteria") were developed for, and applicable to, our light industrial business centers and anticipate those land uses, building forms, and workforce characteristics. This project is a residential development and will generally not conform to the Development Criteria. The project will adhere to the Restrictive Covenants on the property, to the extent they are not incompatible with the use type proposed. As described, the project conforms to the site's zoning (T2) and direction from the Beacon Bluff Community Advisory Committee.

Development Officer's Comments:

The need for quality affordable housing is especially significant on the East Side of Saint Paul. The creation of urban affordable infill housing at Beacon Bluff helps further activate the site and serve the community in ways not previously envisioned. The site was guided for residential use by the 3M/Beacon Bluff Community Advisory Committee and this development is supported by the District 4 Community Council. With Amani's mission and successful track record in affordable housing development, the Port Authority believes this project will be a true asset to Saint Paul's East Side.



SCALE: 1" = 30'



**RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

**[PUBLIC HEARING – CONVEYANCE OF LAND TO AMANI
CONSTRUCTION & DEVELOPMENT, LLC – BEACON BLUFF BUSINESS CENTER]**

WHEREAS, The Port Authority of the City of Saint Paul (the "Port Authority"), pursuant to Minnesota Statutes, Section 469.065, did place a notice, a copy of which with proof of publication is on file in the office of the Port Authority, of a public hearing on the proposed conveyance of property owned by the Port Authority in a legal newspaper, said hearing to be held to determine whether it is in the best interests of the port district of Saint Paul and the people thereof and in furtherance of the general plan of port improvement and industrial development to convey real estate located in the Beacon Bluff Business Center on the northeast corner of Bush Avenue and Cypress Street and known as Parcel 9 in Saint Paul, Minnesota (the "Property");

WHEREAS, the Port Authority did conduct a public hearing pursuant to said notice on May 28, 2024, at which hearing all taxpayers in the port district, both for and against the conveyance, were allowed to state their views;

WHEREAS, Amani Construction & Development, LLC ("Amani") has entered into a Purchase Agreement to purchase the Property which is owned by the Port Authority;

WHEREAS, it is in the best interests of the port district and the people of the East Side neighborhood of Saint Paul, and in furtherance of the mission and vision of the Port Authority, to serve the community with an affordable housing development;

WHEREAS, the Port Authority has investigated the facts of the proposal with said investigation including the terms and conditions of said agreement, the proposed use of the Property, and the relationship thereof to the port district of Saint Paul and the redevelopment projects of the Port Authority in general; and

WHEREAS, the proposal presented meets the terms and conditions set forth by the Port Authority as its guide in determining if such proposals are in the best interests of the port district and the public.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL:

1. That the Board of Commissioners of the Port Authority hereby finds, determines, and declares that it is for the best interests of the port district and the people of the East Side neighborhood of Saint Paul, and in furtherance of the mission and vision of the Port Authority, to enter into said agreement to convey the Property;

2. That the actions of the President of the Port Authority in causing public notice of the proposed conveyance, and in describing the terms and conditions of such conveyance, which have been available for inspection by the public at the office of the Port Authority from and after the publication of notice of hearing, are in all respects ratified and confirmed; and

3. That the President of the Port Authority is hereby authorized to complete and execute the purchase agreement relating to the transaction contemplated herein in substantially the form as is on file in the office of the Port Authority, and the proper Port Authority officers are hereby authorized to complete and execute all documents necessary to convey title and effectuate the transaction described herein in form as approved by counsel.

Adopted: June 25, 2024

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____

Its Chair

Attest:

By _____

Its Secretary



To: CREDIT COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: June 25, 2024

From: Rick W. Howden

Subject: AUTHORIZATION TO ACCEPT GRANT FUNDING FOR THE CONSTRUCTION OF SERENITY TOWNHOMES ON BEHALF OF AMANI CONSTRUCTION & DEVELOPMENT, LLC
RESOLUTION NO. 4781

Action Requested:

The Port Authority of the City of Saint Paul (the “Port Authority”) seeks authorization to accept grant funding from the Metropolitan Council’s Local Housing Incentives Account (“LHIA”) on behalf of Amani Construction & Development, LLC (“Amani”) for a townhome development to be constructed on Beacon Bluff Parcel 9 in Saint Paul, Minnesota (the “Property”).

Background:

LHIA grants support the production and preservation of affordable rental and ownership housing to help municipalities meet their negotiated Livable Communities Act housing goals. Grant funds cover gap financing costs such as acquisition, demolition, site preparation, and other construction costs.

LHIA funding is pooled with various sources of affordable housing funding through Minnesota Housing. Since LHIA is a much smaller source of funding and often cannot make projects “whole” without additional state resources, LHIA applications are generally evaluated after Minnesota Housing has begun prioritizing their investments. Occasionally a project that does not receive an award from Minnesota Housing will still be awarded LHIA funds, which was the case for Amani.

Amani will collaborate with Rondo Community Land Trust to ensure long-term affordability and sustainable homeownership within the community. Amani’s development, Serenity Townhomes, is anticipated to include at least 17 units, of which LHIA funds are requested to fund the construction of four 4-bedroom end units. Amani is committed to ensuring sustainability and energy efficiency in every unit, adhering to the Department of Energy Zero Energy Ready Home program. Energy-efficient homes feature superior insulation, high performance windows, and energy-efficient appliances, not only reducing utility costs but also leaving a smaller carbon footprint for a more sustainable future.

The Metropolitan Council approved an award for Serenity Townhomes on January 10, 2024 in the amount of \$270,000, which is based upon the donated land value that counts toward the 50/50 match requirements of the program. Staff are bringing it forward concurrently with the conveyance of land to Amani also before the Board this month for approval. If approved, the Port



Authority will enter into a Compliance, Reporting, and Reimbursement Agreement with Amani Construction & Development, LLC.

Recommendation:

Authorization to accept grant funding from LHIA for a townhome development anticipated to be constructed by Amani on the Property.

Attachments: Resolution

**RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

**[AUTHORIZATION TO ACCEPT GRANT FUNDING FOR
THE CONSTRUCTION OF SERENITY TOWNHOMES ON
BEHALF OF AMANI CONSTRUCTION & DEVELOPMENT, LLC]**

WHEREAS, the Port Authority of the City of Saint Paul (the “Port Authority”) is a public body corporate and politic organized pursuant to Chapter 469 of Minnesota Statutes;

WHEREAS, the Port Authority’s Board of Commissioners (the “Board”) are appointed by the Mayor of the City of Saint Paul subject to the approval of the Council of the City of Saint Paul;

WHEREAS, two of the Port Authority Commissioners must be members of the Council of the City of Saint Paul;

WHEREAS, said members of the Council of the City of Saint Paul serve on the Port Authority Board so long as they continue to be members of the Council of the City of Saint Paul;

WHEREAS, the district of the Port Authority is the City of Saint Paul;

WHEREAS, under Minn. Stat. §§ 469.048 to 469.061, the Port Authority has the powers and duties conferred upon all port authorities;

WHEREAS, under Minn. Stat. § 469.084, Subds. 1 to 15, the Port Authority of the City of Saint Paul has additional statutory duties and powers including powers related to recreational facilities and small business capital;

WHEREAS, under Minn. Stat. § 469.084, Subd. 8, the Port Authority of the City of Saint Paul, furthermore, has the power of and is authorized to do what a redevelopment agency may do or must do under sections 469.152 to 469.165 (Municipal Industrial Development), and the Port Authority has undertaken numerous redevelopment projects in the City of Saint Paul;

WHEREAS, a development authority, such as the Port Authority, is eligible to accept project funding from the Metropolitan Council’s Local Housing Incentives Account (“LHIA”) grant program on behalf of cities participating in the Livable Communities Act’s Housing Incentive Program for 2023, provided the project is located in a participating municipality as determined by the Metropolitan Council;

WHEREAS, the City of Saint Paul is a participant in the Livable Communities Act’s Local Housing Incentives Account Program for 2023 as determined by the Metropolitan Council;

WHEREAS, the Port Authority acknowledges LHIA grants are intended to fund projects or project components that support the production and preservation of affordable rental and ownership housing;

WHEREAS, Amani Construction & Development, LLC (“Amani”) intends to construct a townhome development on the Port Authority’s Beacon Bluff Parcel 9 located in St. Paul, Minnesota (the “Amani Project”), contingent upon the separate approval of the Port Authority Board;

WHEREAS, Amani previously applied for LHIA grant funding in the amount of \$270,000 (the “Grant”) to support the Amani Project;

WHEREAS, the Metropolitan Council approved the Grant award to Amani in January 2024, and Amani has requested that the Port Authority accept and manage the Grant on Amani’s behalf; and

WHEREAS, the Port Authority has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL that the President is hereby authorized on behalf of the Port Authority to accept the Grant funding on behalf of Amani for the Amani Project.

BE IT FURTHER RESOLVED that the Port Authority will be the grantee, agrees to act as legal sponsor to administer and be responsible for grant funds expended for the Amani Project, may enter into an agreement with the Metropolitan Council for the Amani Project, and certifies that it will comply with all applicable laws and regulations as stated in all contract agreements.

BE IT FURTHER RESOLVED that the President of the Port Authority is hereby authorized to execute such agreements as are necessary to accept the Grant on behalf of Amani, to obligate Amani to comply with the terms of the Grant funding, and to allow the Port Authority to assist Amani with the management of the grant funding, all in forms approved by counsel.

I certify that the above resolution was adopted by the Board of Commissioners of the Port Authority of the City of Saint Paul on June 25, 2024.

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____
Its Chair

ATTEST:

By _____
Its Secretary

MEMORANDUM

To: CREDIT COMMITTEE

Meeting Date: June 25, 2024

From: Holly Huston *HH*

**Subject: CORK NUTTY, LLC PACE APPLICATION
APPROVAL OF A \$78,000 PACE TRILLION BTU LOAN**

Action Requested:

Provide approval for the Port Authority of the City of Saint Paul (the “Port Authority”) to initiate a PACE Trillion BTU loan for approximately \$78,000 to Cork Nutty, LLC to add solar to the property located in Park Rapids, Minnesota (the “Project”).

Background:

Cork Nutty, LLC owns real estate located at 403 Main Ave S, Park Rapids, MN 56470 (the “Property”). Cork Nutty, LLC owns and operates a retail furniture business at the Property. The Project is expected to save the business \$12,000 in electrical costs per year and replace 58,000 kilowatt hours (kWh) of electricity. Cork Nutty, LLC received a Rural Energy for America Program (REAP) for 50% of the Project costs.



Proposed Project:

The Project will add 58 KW solar panels to the Property.

Use of Funds	
Solar	\$156,000
Total Use	\$156,000
Sources	
Trillion BTU Loan	\$78,000
REAP Grant	\$78,000
Total Sources	\$156,000

Financial Analysis:

The Property is appraised at \$280,000 and is subject to an outstanding mortgage of \$251,000. Cork Nutty, LLC purchased the business in 2022, so the mortgage outstanding is slightly lower than the Property’s value. Cork Nutty, LLC has positive net income growth over the last two years. The financial ratios meet the Trillion BTU Loan program standards.

Debt Service Coverage:	2.9	Trillion Standard of at Least:	1.15
Debt-to-Equity:	2.6	Trillion Standard of less Than:	4.00
Loan to Value:	89%	Industry Standard of less Than:	80%

Loan Terms:

Source of Funds:	Trillion BTU - Statewide
Collateral:	PACE Assessment
Use of Funds:	Solar
Amount of Loan:	\$78,000
Rate:	5.5%
Term:	10 years
Assessment Start:	2025

Eligibility:

- Loan amount is less than or equal to 30% of the property's assessed or appraised value.
30% (appraisal \$280,000 X 30% = \$84,000)
- Energy Audit provided.
Annual energy savings \$12,000
Payback Estimate = 6.5 years
- Davis Bacon applies.
- Licensed Contractor.

Workforce Implications:

1 FTE for construction jobs.

Policy Exceptions:

No.


Recommendation

We recommend approval for the Port Authority to initiate a PACE Trillion BTU loan for approximately \$78,000 to Cork Nutty, LLC for the Project.

MEMORANDUM

To: CREDIT COMMITTEE

Meeting Date: June 25, 2024

From: Holly Huston 

**Subject: COURT WEST, LLC PACE APPLICATION
APPROVAL OF A \$353,000 PACE BUSINESS DEVELOPMENT FUND LOAN**

Action Requested:

Provide approval for the Port Authority of the City of Saint Paul (the “Port Authority”) to initiate a PACE Business Development Fund (“BDF”) loan for approximately \$353,000 to Court West, LLC to replace the roof top unit on property located in Saint Paul, Minnesota (the “Project”).

Background:

Court West, LLC owns a 55,000 square foot, six story, commercial office building in the heart of the Midway, located at 2610 University Ave, Saint Paul, MN 55114 (the “Property”). The Property is 95% leased, targeting non-profits like Prepare + Prosper, The Trust for Public Land, and Catholic Community Foundation, among others. The 1950s building underwent extensive renovations in 2014. The remaining upgrade is the HVAC roof top unit for which Court West, LLC is seeking a PACE BDF loan.



MEMORANDUM

Proposed Project:

The Project will replace the HVAC Roof Top Unit.

Use of Funds	
HVAC RTU	\$353,000
Total Use	\$353,000
Sources	
PACE BDF Loan	\$353,000
Total Sources	\$353,000

Financial Analysis:

The Property is appraised at \$5,055,600, and the Property is subject to an outstanding mortgage of \$3,766,258. The financial ratios meet the PACE BDF Loan program standards.

Debt Service Coverage:	1.5	BDF Standard of at Least:	1.15
Debt-to-Equity:	1.05	BDF Standard of less Than:	4.00
Loan to Value:	75%	Industry Standard of less Than:	80%

Loan Terms:

Source of Funds:	Business Development Fund
Collateral:	PACE Assessment
Use of Funds:	HVAC, Roof Top Unit (RTU)
Amount of Loan:	\$353,000
Rate:	5.5%
Term:	10 years
Assessment Start:	2025

Eligibility:

- Loan amount is less than or equal to 30% of the property's assessed or appraised value.
30% (appraisal \$5,055,600 30% = \$1,516,680)
- Energy Audit provided.
Annual energy savings \$7,125 and 59,379 kW
- Licensed Contractor.

Workforce Implications:

4 FTE for construction jobs.

Policy Exceptions:

No.

Recommendation

We recommend approval for the Port Authority to initiate a PACE BDF loan for approximately \$353,000 to Court West, LLC for the Project.

MEMORANDUM

To: CREDIT COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: June 25, 2024

From: Holly Huston 

Subject: ENERGY PARK UTILITY COMPANY FRANCHISE APPROVAL OF RATES
RESOLUTION NO. 4787

Action Requested:

Approval of Schedule A – Energy Park Utility Company (“EPUC”) rates effective October 1, 2024.

Background:

The EPUC Franchise Ordinance Section 6(e) requires the Board of the Port Authority of the City of Saint Paul (the “Port Authority”) to approve any changes in the schedule of rates and charges. The rates typically change each year based on the budgeted costs of operating EPUC. The customers of EPUC acknowledged the Franchise Agreement and the periodic change in rates in the First Amendment to the Hot and Chilled Water Service Agreement. The rates effective October 1, 2024, reflect the budgeted costs for 2024-2025.

The Port Authority entered into a long-term lease at the end of 2021 with a subsidiary of District Energy Saint Paul to manage and operate EPUC. The Port Authority maintained control of setting future rates and the Port Authority Board is required to approve all rate changes and recommend such changes for approval to the Saint Paul City Council. That is what this action accomplishes.

Proposal:

Attached please find Schedule A, which includes a complete list and the methodology for establishing the new rates effective October 1, 2024. In summary, new rates will be:

	<u>Current Charges</u>	<u>Proposed Charges 10/01/2024</u>	<u>% Change</u>
Demand Charge (\$/MMBtu/Mo):			
Heating Demand Charge	\$1,851.00	\$1,888.00	2.00%
Chilled Water Demand Charge	\$1,949.00	\$1,988.00	2.00%
Hot Water Commodity Charge Base (\$/MMBtu)	\$ 3.80	\$ 3.80	0.00%
Chilled Water Commodity Charge Base (\$/MMBtu)	\$ 3.73	\$ 3.73	0.00%
Fuel Adjustment Charge – Difference Between Actual Cost and Base Variable Cost (\$/MMBtu)		Varies	

Rate increases from 2014 – 2023 have ranged from 1.78% to 4.20% with an average increase of 3.09%. The last rate increase took effect on October 1, 2023.

MEMORANDUM

Recommendation:

We recommend approval of Schedule A – Energy Park Utility Company (EPUC) rates effective October 1, 2024.

Attachments: Resolution
 Schedule A

**RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

[ENERGY PARK UTILITY COMPANY FRANCHISE – 2024-2025 RATE SCHEDULE]

WHEREAS, the City of Saint Paul granted the Port Authority of the City of Saint Paul (the “Port Authority”), doing business as Energy Park Utility Company, a franchise for providing hot and chilled water in the Energy Park Industrial District in 1982;

WHEREAS, the Energy Park Utility Company franchise ordinance requires the Port Authority Board to approve any changes in the schedule of rates and charges and recommend such changes for approval by the Saint Paul City Council; and

WHEREAS, Port Authority staff has proposed a new rate structure reflecting the proposed 2024-2025 budget as set forth in Schedule A attached hereto.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL, that the rates for the Energy Park Utility Company as set forth in Schedule A are hereby adopted effective October 1, 2024; and

BE IT FURTHER RESOLVED, that the President, on behalf of the Port Authority, is hereby authorized and directed to file the proposed rate schedule with supporting information with the City Clerk of the City of Saint Paul for approval of the rates pursuant to the Energy Park Utility Company franchise ordinance.

Adopted: June 25, 2024

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____

Its _____

ATTEST:

By _____

Its _____

Attachment: Schedule A

SCHEDULE A (AMENDED)
to
ENERGY PARK UTILITY COMPANY FRANCHISE
granted to the
SAINT PAUL PORT AUTHORITY
by the
CITY OF SAINT PAUL

(C.F. No. 05-344, § 2, 5-11-05; Ord No. 10-59, § 1, 1-12-11; Ord 16-11, § 1, 6-22-16; Ord 21-44, § 1, 11-10-21)

COMPANY CHARGES: Pursuant to the Energy Park Utility Company Franchise, the following rates shall be effective beginning October 1, 2024 and shall remain in effect until superseded:

FIXED CUSTOMER CHARGE: Customer Charge \$100.00 per month per Customer.

DEMAND CHARGE: Beginning on October 1, 2024, the Demand Charge portion of the Hot Water and Chilled Water rate schedules shall be as follows:

i)	Budgeted Operating Expenses (10/1/24 to 9/30/25)	\$1,030,844
ii)	All Debt Service Costs and Requirements	926,660
iii)	Fixed Reimbursement	<u>0</u>
	Subtotal	\$1,957,544
	Multiplied By	1
iv)	Budgeted demand revenues before Reserve for Repairs, Replacements, Modifications, and Expansions	\$1,957,544
	Divided By	<u>94.83%</u>
	Budgeted Total Demand Revenues	\$2,064,267
	Divided by Budgeted Cooling Energy Demand (Total MMBtuh)	<u>531.540</u>
	Chilled Water Demand Charge (\$ per MMBtuh per Month)	\$1,988.00
	Divided by Budgeted Heating Energy Demand (Total MMBtuh)	<u>533.676</u>
	Heating Demand Charge (\$ per MMBtuh per Month)	\$1,888.00

COMMODITY CHARGE: The Hot Water Commodity Charge is \$3.80 per MMBtu, and the Chilled Water Commodity Charge is \$3.73 per MMBtu.

FUEL ADJUSTMENT CHARGE: The commodity portion of the Hot Water and Chilled Water rate schedules will be adjusted upward or downward each month based on the difference between actual variable costs and base variable costs. (The base variable costs built are \$3.80 per MMBtu for Hot Water and \$3.73 per MMBtu for Chilled Water.) Actual variable costs will be computed each month by dividing the cost of fuel (electricity, gas, oil, propane and any other fuel) plus water treatment expenses to operate the central energy plant by sales made during the corresponding month. The fuel adjustment charge applied to each customer's bill will be the difference between actual variable costs and base variable costs (expressed dollars per MMBtu) multiplied by that customer's heating or cooling energy use during the corresponding month. Actual variable costs for the current month will not be known at the time of billing; and, therefore, for the purpose of computing the fuel adjustment charge, actual variable costs shall be deemed to be the average monthly actual variable costs over the preceding twelve (12) months.

ADMINISTRATIVE SERVICES CHARGE: The Administrative Services Charge shall be established pursuant to the Energy Park Utility Company Franchise.

BILLING ADMINISTRATIVE SERVICE CHARGE: The Billing Administrative Service Charge is that part of the rate schedule to be paid by Customers who desire to have their total monthly bill subdivided and billed directly to tenants based on allocation factors or submeters. The Billing Administrative Service Charge is \$75.00 per month per bill.


LATE FEE: The Company may charge a late payment penalty of five (5) percent of the total amount due which may be added to bills which are not paid within twenty-one (21) days of the billing date.

SURCHARGE: All rates for providing Chilled Water and Hot Water services will be subject to the City of Saint Paul franchise fee and other appropriate state and local taxes. Residential, commercial and industrial bills shall be subject to separate charges.

MEMORANDUM

To: CREDIT COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: June 25, 2024

From: Holly Huston 

**Subject: AUTHORIZATION TO ENTER INTO LOAN DOCUMENTS TO LEND \$550,000 TO THE HEIGHTS COMMUNITY ENERGY, INC. TO FUND THE DESIGN OF AN AQUIFER THERMAL ENERGY GEO-EXCHANGE, HEAT PUMP DISTRICT ENERGY SYSTEM AT THE HEIGHTS
RESOLUTION NO. 4788**

Action Requested:

Request for authorization for the Port Authority of the City of Saint Paul (the “Port Authority”), as lender, to enter into a loan agreement, promissory note, and any other supporting loan documentation (“Loan Documents”) for a \$550,000 loan to The Heights Community Energy, Inc. (“HCE”) to fund the design of an aquifer thermal energy geo-exchange, heat pump district energy system (the “System”) at 2200 Larpenteur Avenue East in the East Side neighborhood of Saint Paul, Minnesota, now known by the Port Authority as The Heights redevelopment project (“The Heights”).

Background:

The 2040 Saint Paul Comprehensive Plan identifies the former Hillcrest Golf Course located at 2200 Larpenteur Avenue East in the East Side neighborhood of Saint Paul, Minnesota, now known by the Port Authority as The Heights as an opportunity site with potential features such as higher-density, mixed-use development or employment centers with increased full-time living wage job intensity.

In 2019, the Port Authority purchased The Heights site, and the City of Saint Paul (the “City”) commenced a master planning process to determine the future uses and layout for The Heights, which has resulted in the Hillcrest Master Plan passed by the City Council in 2022.

The Hillcrest Master Plan and the Port Authority support sustainability goals for The Heights that integrate with the ecology of the site, support responsible material, and waste stream management, and pursue effective, integrated, and visible stormwater management. This comprehensive sustainability plan includes certification at the Platinum level for LEED for Communities. The Heights has the goal of creating a carbon-free community and has identified a district ground source energy (geothermal) as a key component to reducing energy needs for The Heights and providing a path towards carbon free.

HCE is a proposed, new 501(c)(3) nonprofit entity that will be established in the state of Minnesota by District Energy St. Paul, Inc. with support from the Port Authority and the City.

MEMORANDUM

HCE's development and operation of the System delivers a pathway to achieving net-zero carbon for The Heights while also demonstrating a technology that can be adopted for new developments as well as existing buildings throughout the Twin Cities and across Minnesota to lower greenhouse gas emissions and create community energy districts. District energy systems provide energy users with reliable heating and cooling that can be built with renewable energy sources. The System will deploy a ground-source energy system coupled with energy storage that utilizes ground source heat pumps fed by renewable electricity to provide renewable, net zero carbon energy services.

HCE's System is designed to serve at least ten (10) buildings to be developed at The Heights, including six (6) multi-family housing units and four (4) light industrial buildings totaling approximately one (1) million square feet of space. This community will support affordable and market-rate ownership, affordable, deeply affordable (30% AMI), and senior-oriented rental housing serving a range of household types including young families, large families, multi-generational households, and seniors.

Proposal/Current Status:

HCE estimates the design, construction, and commissioning of the System to require \$12,000,000 in capital. HCE's budget for the System includes a loan from the Minnesota Climate Innovation Finance Authority ("MNCIFA") in the amount of \$4,700,000 awarded on March 20, 2024, and a loan from the Port Authority to fund the design of the System.

A critical part of this project's financing plan is the Inflation Reduction Act Investment Tax Credit (the "IRA Tax Credit"). The IRA Tax Credits allow taxpayers to deduct a percentage of the costs of renewable energy. The System is eligible to receive up to a 50% tax credit for the costs of the System. HCE's financing plan includes a direct payment of \$5,750,000 from the IRA Tax Credits to pay back the \$4,700,000 MNCIFA loan and the \$550,000 Port Authority loan proposed in this Memorandum.

HCE is a critical player in furthering the environmental goals of reduction of fossil fuels by providing public utility services in a low-carbon or carbon-free manner consistent with the Port Authority's redevelopment goals for The Heights. In furtherance of the goals of The Heights, the Port Authority intends to loan \$550,000 to HCE to support the design of the System.

Terms:

- A. Borrower: The Heights Community Energy, Inc.
- B. Principal Amount of Loan: \$550,000
- C. Interest Rate: Annual rate of four point sixty-seven percent (4.67%).
- D. Interest Accrual Commencement Date: October 1, 2024

MEMORANDUM

- E. Maturity Date: The earlier of (a) the date on which Borrower receives the proceeds of the IRA Tax Credits; or (b) May 31, 2029.
- F. Security: Pledge of the proceeds of the IRA Tax Credits

Recommendation:

Recommend approval of authorization for the Port Authority, as lender, to enter into Loan Documents for a \$550,000 loan to HCE to fund the design of the System at The Heights.

Attachment: Resolution

**RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

**[AUTHORIZATION TO ENTER INTO LOAN DOCUMENTS TO LEND \$550,000 TO THE
HEIGHTS COMMUNITY ENERGY, INC. TO FUND THE DESIGN OF AN AQUIFER THERMAL ENERGY
GEO-EXCHANGE, HEAT PUMP DISTRICT ENERGY SYSTEM AT THE HEIGHTS]**

WHEREAS, the Port Authority of the City of Saint Paul (the “Port Authority”) is a public body corporate and politic organized pursuant to Chapter 469 of Minnesota Statutes;

WHEREAS, the Port Authority’s Board of Commissioners (“Board”) are appointed by the Mayor of the City of Saint Paul (the “City”) subject to the approval of the Council of the City of Saint Paul (the “City Council”);

WHEREAS, two of the Port Authority Commissioners must be members of the City Council who shall serve on the Port Authority Board so long as they continue to be members of the City Council;

WHEREAS, the district of the Port Authority is in the City;

WHEREAS, under Minn. Stat. §§ 469.048 to 469.068, the Port Authority has the powers and duties conferred upon all port authorities by said statute;

WHEREAS, under Minn. Stat. § 469.084, subs. 1 to 15, the Port Authority has additional statutory duties and powers including powers, including those related to recreational facilities and small business capital;

WHEREAS, under Minn. Stat. § 469.084, subd. 8, the Port Authority, furthermore, has the power of and is authorized to do what a redevelopment agency may do or must do under sections 469.152 to 469.165 (Municipal Industrial Development);

WHEREAS, the Port Authority has undertaken numerous redevelopment projects in the City, and the Port Authority is committed to the development of The Heights business center located at 2200 Larpenteur Avenue East in the East Side neighborhood of Saint Paul, Minnesota (“The Heights”), which it acquired in 2019, and advancing sustainable development in such redevelopment in accordance with the mission of the Port Authority;

WHEREAS, the City commenced a master planning process in 2019 to determine the future uses and layout for The Heights, which has resulted in a Hillcrest Master Plan passed by the City Council in 2022;

WHEREAS, the Hillcrest Master Plan and the Port Authority support sustainability goals for The Heights that integrate with the ecology of the site, support responsible material, and waste stream management, and pursue effective, integrated, and visible stormwater management;

WHEREAS, The Heights Community Energy, Inc. (“HCE”) has been incorporated as a Minnesota nonprofit corporation, to be operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, to assist the City and the Port Authority in their goal of reducing greenhouse gas emissions, with the expectation that HCE will design, construct, and operate an aquifer thermal energy geo-exchange heat pump district energy system at The Heights (the “System”) to serve The Heights community and other nearby customers as the System may efficiently and economically allow;

WHEREAS, the Port Authority understands and supports the public purpose of HCE in furthering the environmental goals of reduction of fossil fuels by providing public utility services in a low-carbon or carbon-free manner consistent with the Port Authority’s redevelopment goals for The Heights; and

WHEREAS, in furtherance of the goals of The Heights, the Port Authority intends to loan \$550,000 to HCE to support the design of the System (the “Loan”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL that the Port Authority is authorized to make the Loan to HCE, according to the terms described in the Board memorandum, and to enter into related loan documents necessary to document the Loan.

BE IT FURTHER RESOLVED that the President of the Port Authority is hereby authorized to execute such agreements as are necessary to document and grant the loan to HCE on behalf of the Port Authority in a form approved by counsel.

I certify that the above resolution was adopted by the Board of Commissioners of the Port Authority of the City of Saint Paul on June 25, 2024.

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____
Its Chair


ATTEST:

By _____
Its Secretary

MEMORANDUM

To: CREDIT COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: June 25, 2024

From: Kathryn L. Sarnecki 

Subject: **AUTHORIZATION TO ENTER INTO A DEVELOPMENT AGREEMENT WITH
THE HEIGHTS COMMUNITY ENERGY, INC.
RESOLUTION NO. 4789**

Action Requested:

We are requesting approval of a development agreement for The Heights Community Energy, Inc. (“HCE”) to construct and operate an aquifer thermal energy system (the “System”) at 2200 Larpenteur Avenue East in the East Side neighborhood of Saint Paul, Minnesota, now known by the Port Authority as The Heights redevelopment project (“The Heights”) for the purpose of providing heating and cooling infrastructure.

Background:

The 2040 Saint Paul Comprehensive Plan identifies the former Hillcrest Golf Course located at 2200 Larpenteur Avenue East in the East Side neighborhood of Saint Paul, Minnesota, now known by the Port Authority of the City of Saint Paul (the “Port Authority”) as, The Heights as an opportunity site with potential features such as higher-density mixed-use development or employment centers with increased full-time living wage job intensity.

In 2019, the Port Authority purchased The Heights site, and the City of Saint Paul (the “City”) commenced a master planning process to determine the future uses and layout for The Heights, which has resulted in the Hillcrest Master Plan passed by the City Council in 2022.

The Hillcrest Master Plan and the Port Authority support sustainability goals for The Heights that integrate with the ecology of the site, support responsible material, and waste stream management, and pursue effective, integrated, and visible stormwater management. This comprehensive sustainability plan includes certification at the Platinum level for LEED for Communities. The Heights has the goal of creating a carbon-free community and has identified a district ground source energy (geothermal) as a key component to reducing energy needs for The Heights and providing a path towards carbon free.

Current Status:

HCE, being led by Ever-Green Energy with support from District Energy Saint Paul, has been formed out of a desire from the community, the City, and the Port Authority to have a community-based geothermal system available to some end users at The Heights. HCE is proposing to have a board comprised of up to five members, one of whom will be appointed by the Port Authority President.

MEMORANDUM

The Port Authority intends to enter into a development agreement with HCE granting HCE the right and obligation to build the System to serve certain lots in The Heights (the “Development Agreement”). Upon completion of the development and construction of the System, HCE will own and operate the System and will enter into separate utility agreements with the individual landowners to charge for the heating and cooling services.

The Development Agreement contains the following provisions:

1. Grants HCE rights to build, operate, and maintain an Aquifer Thermal Energy System (ATES) at The Heights.
2. Requires that HCE construct the System in platted, public rights-of-way and easements; any easements needed over Port Authority-owned property would be negotiated and granted at a future date as design of the System progresses.
3. Obligates HCE to build the System to provide service to, at a minimum, 10 buildings (as they are built) on the following sites:
 1. 4 Industrial Parcels (Industrial Parcel 01-04);
 2. 4 buildings on Mixed Use Parcels 01-03; note Mixed Use Parcel 2 will have two buildings on this parcel (see attached Site Plan); and
 3. 2 additional multifamily buildings proposed for Residential Parcel 01 and 02.
4. Requires the Port Authority to record covenants that include the requirement to connect to the System if constructed for the above 10 buildings.
5. Requires HCE to pay all project costs and will be compensated through the ability to charge users for heating and cooling usage.
6. Requires HCE to coordinate with the Port Authority design team for The Heights to determine placement of system components within The Heights.
7. Allows the Port Authority to set the performance standards for the System and approve the related design and technical specifications.
8. Requires HCE to enter into a franchise agreement with the City to allow them rights to operate a utility within the right-of-way.
9. Requires HCE to deliver the completed, functional System in 2026 and to provide temporary heating and cooling until the system is operational.

Additional Note:

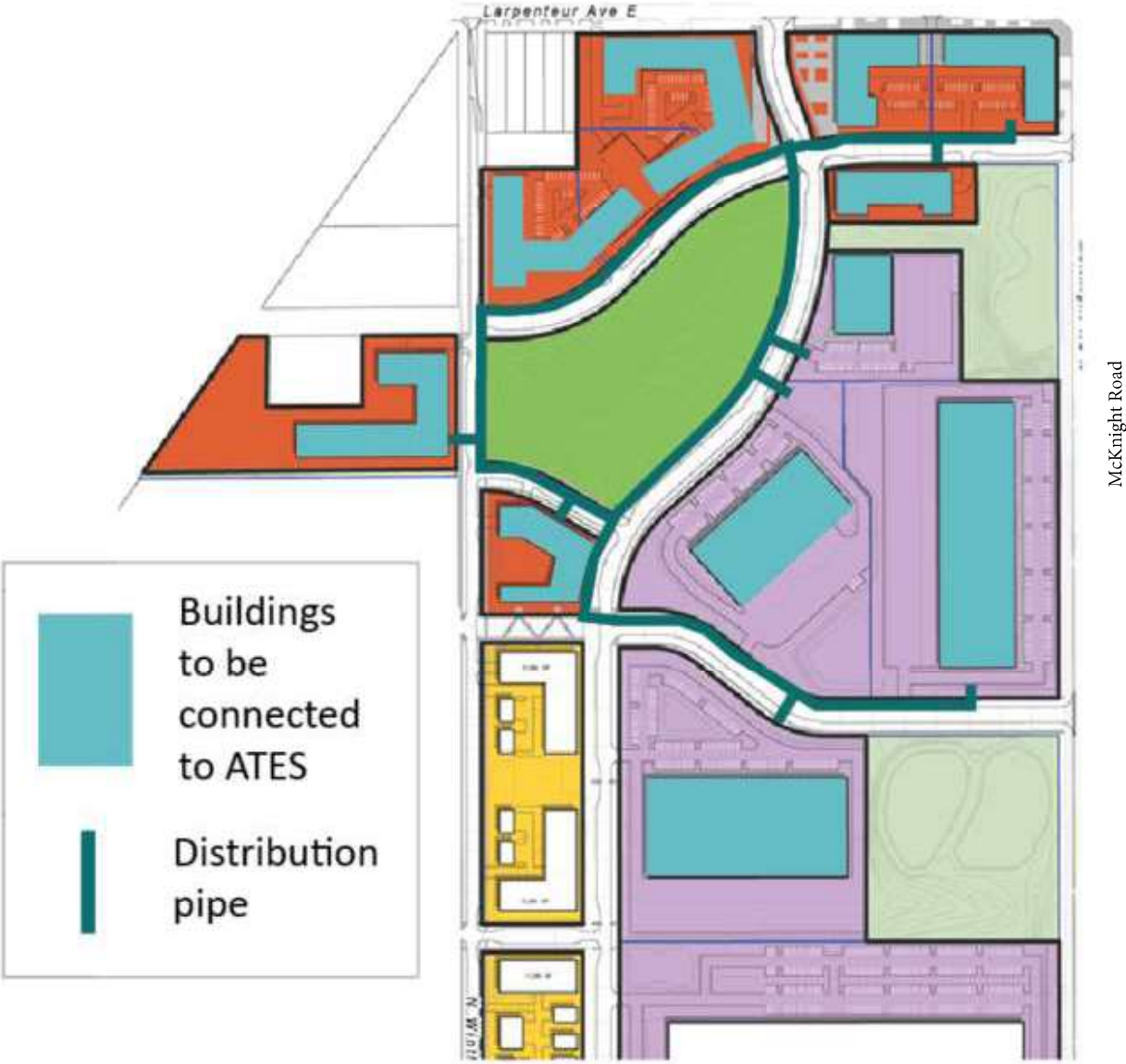
While there is no legal or financial recourse to the Port Authority, it will assist HCE in creating a long-term financing plan.

Recommendation:

We are requesting approval of a development agreement for HCE to construct, operate, and maintain the System at The Heights for the purpose of providing heating and cooling infrastructure.

Attachment: Site Plan
Resolution

SITE PLAN



**RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

**[AUTHORIZATION TO ENTER INTO A DEVELOPMENT
AGREEMENT WITH THE HEIGHTS COMMUNITY ENERGY, INC.]**

WHEREAS, the Port Authority of the City of Saint Paul (the “Port Authority”) is a public body corporate and politic organized pursuant to Chapter 469 of Minnesota Statutes;

WHEREAS, the Port Authority’s Board of Commissioners (“Board”) are appointed by the Mayor of the City of Saint Paul (the “City”) subject to approval by the Council of the City (the “City Council”);

WHEREAS, two of the Port Authority Commissioners must be members of the City Council who shall serve on the Port Authority Board so long as they continue to be members of the City Council;

WHEREAS, the district of the Port Authority is in the City;

WHEREAS, under Minn. Stat. §§ 469.048 to 469.068, the Port Authority has the powers and duties conferred upon all port authorities by said statute;

WHEREAS, under Minn. Stat. § 469.084, subs. 1 to 15, the Port Authority has additional statutory duties and powers including powers, including those related to recreational facilities and small business capital;

WHEREAS, under Minn. Stat. § 469.084, subd. 8, the Port Authority, furthermore, has the power of and is authorized to do what a redevelopment agency may do or must do under sections 469.152 to 469.165 (Municipal Industrial Development);

WHEREAS, the Port Authority has undertaken numerous redevelopment projects in the City, and the Port Authority is committed to the development of The Heights business center located at 2200 Larpenteur Avenue East in the East Side neighborhood of Saint Paul, Minnesota (“The Heights”), which it acquired in 2019, and advancing sustainable development in such redevelopment in accordance with the mission of the Port Authority;

WHEREAS, the City commenced a master planning process in 2019 to determine the future uses and layout for The Heights, which has resulted in a Hillcrest Master Plan passed by the City Council in 2022;

WHEREAS, The Heights Community Energy, Inc. (“HCE”) has been incorporated as a Minnesota nonprofit corporation, to be operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, to assist the City and the Port Authority in their goal of reducing greenhouse gas emissions, with the expectation that

HCE will design, construct, and operate an aquifer energy storage system at The Heights (the "System") to serve The Heights community and other nearby customers as the System may efficiently and economically allow;

WHEREAS, in Resolution No. 4775, adopted March 15, 2024, the Board expressed its support of HCE's application to the Minnesota Climate Innovation Finance Authority ("MnCIFA") for funding for the first phase of development of the System, subject to the terms and conditions of an agreement between HCE and the Port Authority relating to the development and operation of the System (the "Development Agreement"); and

WHEREAS, the execution of the Development Agreement furthers the Port Authority's mission of advancing sustainable development and the sustainability goals of the Hillcrest Master Plan passed by the City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL has authorized the Port Authority to enter into the Development Agreement for the construction and operation of the System by HCE at The Heights, as further described in the Memorandum presented by staff to the Board.

BE IT FURTHER RESOLVED that the President of the Port Authority is hereby authorized to execute the Development Agreement and any other necessary documents reasonably necessary to effectuate the purposes described herein on behalf of the Port Authority, in a form approved by counsel.

I certify that the above resolution was adopted by the Board of Commissioners of the Port Authority of the City of Saint Paul on June 25, 2024.

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____
Its Chair

ATTEST:

By _____
Its Secretary



To: CREDIT COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: June 25, 2024

From: Sarah M. Ill



Subject: AUTHORIZATION TO ACCEPT FEDERAL GRANT FUNDING FOR CAPITAL
IMPROVEMENT PROJECTS AT BARGE TERMINAL 2

RESOLUTION NO. 4790 - BT2 DOCKWALL REHABILITATION PROJECT (MARAD GRANT)
RESOLUTION NO. 4791 - BT2 BOAT RAMP PROJECT (FEMA GRANT)

Action Requested:

The Port Authority of the City of Saint Paul (the “Port Authority”) seeks authorization by Board Resolution to accept grant funding from the United States Department of Transportation Maritime Administration (“MARAD”) and the United States Department of Homeland Security Federal Emergency Management Agency (“FEMA”) for proposed capital improvement projects at Port Authority-owned property located within Barge Terminal 2 in Saint Paul, Minnesota, which is leased to Upper River Services, LLC (“URS”).

Background:

MARAD’s Port Infrastructure Development Program (“PIDP”) was established under 46 U.S.C. §50302, as a port and intermodal improvement program to improve the safety, efficiency, or reliability of the movement of goods through ports and intermodal connections to ports. PIDP-eligible projects include: port gate improvements, road improvements both within and connecting to the port, berth improvements (including docks, wharves, piers, and dredging) incidental to the improvement project, and fixed landside improvements in support of cargo operations, and utilities necessary for safe operations. The PIDP can provide funds for up to ninety percent (90%) of eligible project costs and applicants are responsible for providing a minimum ten percent (10%) funding match that will contribute to the non-federal share of the total cost of the proposed project.

FEMA’s Port Security Grant Program (“PSGP”) is authorized under Section 102 of the Maritime Transportation Security Act of 2002 (Pub. L. No. 107-295, as amended) (46 U.S.C. § 70107). The PSGP provides funds to state, local, territorial, and private sector maritime partners to support increased port-wide risk management and protection of critical marine transportation system infrastructure from acts of terrorism, major disasters, and other emergencies. PSGP-eligible projects include: cybersecurity improvements, soft target protection measures, vulnerability assessments and response plans, explosive prevention and response training, and other emergency and terrorism prevention and response measures. The PSGP can provide funds for up to seventy-five percent (75%) of eligible project costs and applicants are responsible for providing a minimum twenty-five percent (25%) funding match that will contribute to the non-federal share of the total cost of the proposed project.



The Port Authority is currently coordinating large capital improvement projects at Barge Terminal 2, a commercial navigation facility on the Mississippi River. The proposed capital improvement projects include: (1) rehabilitation of the existing dockwall and associated safety and resiliency improvements, and (2) construction of a new boat ramp for waterborne law enforcement/first responders (no public access). The Port Authority has been working with URS to finalize engineering designs and secure grant funding and private investment necessary to fully fund each project component.

Grant Applications and Status of Awards:

The Port Authority submitted grant applications for funding to support the following project components:

Barge Terminal 2 – Dockwall Rehabilitation (MARAD Grant)

- Key Project Elements:
 - Installation of new steel sheet pile wall and anchor system
 - Replacement and additional mooring couplings and bollards
 - New guardrail with removeable silt fence panels
 - Mechanical upgrades
 - Corrosion protection
- Estimated Total Construction Cost: \$12,513,600
- 2021 MARAD PIDP Grant Application Date: 7/30/2021
- 2021 MARAD PIDP Grant Funding Request: \$4,140,000 (Awarded 1/6/2022)
- Other Funding Sources:
 - State Grant Funding: \$7,100,000 (Awarded)
 - Port Authority: \$1,273,600 (Local Match/Cost Share)
 - Funding Commitment Notes: The tenant, URS, will commit the majority of the total amount necessary to meet the Port Authority's local match/cost share requirement and cover any additional project costs and potential overruns necessary to fully fund and complete the project. The amount of the URS's financial commitment towards the local match/cost share requirement will be determined based on lease agreement negotiations, with any remaining balance funded from the Port Authority's River Maintenance Account.

Barge Terminal 2 – Boat Ramp Project (FEMA Grant)

- Key Project Elements:
 - Installation of new sheet pile
 - Construction of a concrete panel boat ramp
- Estimated Total Construction Cost: \$1,333,000
- 2023 FEMA PSGP Grant Application Date: 5/18/2023
- 2023 FEMA PSGP Grant Funding Request: \$999,750 (Awarded 8/25/2023)
- Other Funding Sources:
 - Port Authority: \$333,250 (Local Match/Cost Share)
 - Funding Commitment Notes: The tenant, URS, will commit the majority of the total amount necessary to meet the Port Authority's local match/cost share requirement



and cover any additional project costs and potential overruns necessary to fully fund and complete the project. The amount of URS's financial commitment towards the local match/cost share requirement will be determined based on lease agreement negotiations, with any remaining balance funded from the Port Authority's River Maintenance Account.

Workforce Implications and Construction Contracts:

Construction contracts for these projects will include federal and state prevailing wage requirements, performance and payment bonds, and a project labor agreement requirement. The construction contracts will be bid through public solicitation and contract awards will be subject to authorization by Board Resolution.

Recommendation:

Authorization to accept grant funding from MARAD and FEMA for proposed capital improvement projects at Port Authority-owned property located within Barge Terminal 2 in Saint Paul, Minnesota, which is leased to URS.

Attachments: Resolution No. 4790 - BT2 Dockwall Rehabilitation Project (MARAD Grant)
 Resolution No. 4791 - BT2 Boat Ramp Project (FEMA Grant)

**RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

**[AUTHORIZATION TO ACCEPT GRANT FUNDING FOR CAPITAL IMPROVEMENT PROJECTS AT
BARGE TERMINAL 2 FROM THE UNITED STATES
DEPARTMENT OF TRANSPORTATION MARITIME ADMINISTRATION
("MARAD" GRANT) – BARGE TERMINAL 2 DOCKWALL REHABILITATION PROJECT]**

WHEREAS, the Port Authority of the City of Saint Paul (the "Port Authority") is a public body corporate and politic and governmental subdivision organized pursuant to Chapter 469 of Minnesota Statutes;

WHEREAS, the district of the Port Authority is the City of Saint Paul;

WHEREAS, the Port Authority's Board of Commissioners is appointed by the Mayor of the City of Saint Paul, subject to the approval of the Council of the City of Saint Paul; and two of the Port Authority Commissioners must be members of the Council of the City of Saint Paul;

WHEREAS, under Minn. Stat. § 469.055, the Port Authority shall (1) promote the general welfare of the port district, and of the port as a whole; (2) try to increase the volume of the port's commerce; (3) promote the efficient, safe, and economical handling of the commerce; and (4) provide or promote adequate docks, railroad and terminal facilities open to all on reasonable and equal terms for the handling, storage, care, and shipment of freight and passengers to, from, and through the port;

WHEREAS, under Minn. Stat. §§ 469.048 to 469.061, the Port Authority has the powers and duties conferred upon all port authorities;

WHEREAS, under Minn. Stat. § 469.084, Subds. 1 to 15, the Port Authority of the City of Saint Paul has additional statutory duties and powers including powers related to recreational facilities and small business capital;

WHEREAS, under Minn. Stat. § 469.084, Subd. 8, the Port Authority of the City of Saint Paul, furthermore, has the power of and is authorized to do what a redevelopment agency may do or must do under §§ 469.152 to 469.165 (Municipal Industrial Development);

WHEREAS, federal, state, county, city, and other governmental entities and agencies have established grant, or other various assistance programs, which the Port Authority could use in furtherance of its statutory mission;

WHEREAS, the Port Authority represents that it undertakes reasonable and good faith efforts to procure funding in pursuit of its mission from other sources in addition to grant, or other, program resources to which it may seek assistance;

WHEREAS, the Port Infrastructure Development Program (“PIDP”) is authorized under 46 U.S.C. §50302, and is administered by MARAD to provide public port authorities with capital investment assistance through grant funding for the purpose of improving the safety, efficiency, and reliability of the movement of goods through ports and intermodal connections to ports;

WHEREAS, on July 30, 2021, the Port Authority submitted a grant application to MARAD for PIDP funding to support the rehabilitation of the dockwall and other safety and resiliency improvements at the Port Authority’s Barge Terminal 2, a commercial navigation facility on the Mississippi River (the “BT2 Dockwall Rehabilitation Project”); and

WHEREAS, on January 6, 2022, MARAD awarded \$4,140,000 (the “2021 PIDP Funding”) to the Port Authority for the BT2 Dockwall Rehabilitation Project, subject to acceptance by the Port Authority and execution of a grant agreement with MARAD.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL: That the Port Authority authorizes the execution of any grant or assistance agreements necessary to document the award and accept the funding (collectively, the “Grant Agreement”) with MARAD to enable the receipt of the awarded funding.

BE IT FUTHER RESOLVED that the Port Authority has the legal authority to apply for and accept financial assistance, and has the institutional, managerial, and financial capability to ensure adequate project administration of any financial assistance received.

BE IT FURTHER RESOLVED that the current funding sources for the BT2 Dockwall Rehabilitation Project include: (a) the 2021 PIDP Funding in the amount of \$4,140,000; (b) \$7,100,000 in grant awards from the Minnesota Department of Transportation Port Development Assistance Program; and (c) \$1,273,600 committed from the Port Authority. The Port Authority, through its River Maintenance Account funded by monthly fees and funding contributions from its river terminal tenants, has budgeted for and will make available the necessary matching funds to be contributed by the Port Authority to fulfill the PIDP local share requirement under 46 U.S.C. §50302, and the Port Authority agrees to cover any additional project costs and potential overruns necessary to fully fund and complete the BT2 Dockwall Rehabilitation Project.

BE IT FURTHER RESOLVED that because the property subject to improvement is leased by the Port Authority, as landlord, to a private party, Upper River Services, LLC (“URS”), as tenant, URS will commit the majority of the total amount necessary to meet the Port Authority’s local share requirement and cover any additional project costs and overruns necessary to fully fund and complete the BT2 Dockwall Rehabilitation Project. The amount of URS’s financial commitment towards the local match/cost share requirement will be determined based on lease agreement negotiations, with any remaining balance funded from the Port Authority’s River Maintenance Account.

BE IT FURTHER RESOLVED that the Port Authority has not violated any federal, state, or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that the Port Authority certifies that it will comply with all applicable laws and regulations as stated in the grant or assistance agreements necessary to document the award.

BE IT FURTHER RESOLVED that the President or anyone acting under his direction is hereby authorized and directed to execute any and all necessary documents to document any necessary grant or assistance agreements necessary to document the award and accept the funding described in these resolutions.

Adopted: June 25, 2024

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____
Its Chair

ATTEST:

By _____
Its Secretary

**RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

**[AUTHORIZATION TO ACCEPT GRANT FUNDING FOR CAPITAL IMPROVEMENT PROJECTS AT
BARGE TERMINAL 2 FROM THE UNITED
STATES DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY
MANAGEMENT AGENCY (“FEMA” GRANT) – BARGE TERMINAL 2 BOAT RAMP PROJECT]**

WHEREAS, the Port Authority of the City of Saint Paul (the “Port Authority”) is a public body corporate and politic and governmental subdivision organized pursuant to Chapter 469 of Minnesota Statutes;

WHEREAS, the district of the Port Authority is the City of Saint Paul;

WHEREAS, the Port Authority’s Board of Commissioners is appointed by the Mayor of the City of Saint Paul, subject to the approval of the Council of the City of Saint Paul; and two of the Port Authority Commissioners must be members of the Council of the City of Saint Paul;

WHEREAS, under Minn. Stat. § 469.055, the Port Authority shall (1) promote the general welfare of the port district, and of the port as a whole; (2) try to increase the volume of the port's commerce; (3) promote the efficient, safe, and economical handling of the commerce; and (4) provide or promote adequate docks, railroad and terminal facilities open to all on reasonable and equal terms for the handling, storage, care, and shipment of freight and passengers to, from, and through the port;

WHEREAS, under Minn. Stat. §§ 469.048 to 469.061, the Port Authority has the powers and duties conferred upon all port authorities;

WHEREAS, under Minn. Stat. § 469.084, Subds. 1 to 15, the Port Authority of the City of Saint Paul has additional statutory duties and powers including powers related to recreational facilities and small business capital;

WHEREAS, under Minn. Stat. § 469.084, Subd. 8, the Port Authority of the City of Saint Paul, furthermore, has the power of and is authorized to do what a redevelopment agency may do or must do under §§ 469.152 to 469.165 (Municipal Industrial Development);

WHEREAS, federal, state, county, city, and other governmental entities and agencies have established grant, or other various assistance programs, which the Port Authority could use in furtherance of its statutory mission;

WHEREAS, the Port Authority represents that it undertakes reasonable and good faith efforts to procure funding in pursuit of its mission from other sources in addition to grant, or other, program resources to which it may seek assistance;

WHEREAS, the Port Security Grant Program (“PSGP”) is authorized under Section 102 of the Maritime Transportation Security Act of 2002 (Pub. L. No. 107-295, as amended) (46 U.S.C. § 70107), and is administered by FEMA. The PSGP provides funds to state, local, territorial, and private sector maritime partners to support increased port-wide risk management and protect critical marine transportation system infrastructure from acts of terrorism, major disasters, and other emergencies;

WHEREAS, on May 18, 2023, the Port Authority submitted a grant application to FEMA for PSGP funding to support the construction of a boat ramp for first responders/waterborne law enforcement at the Port Authority’s Barge Terminal 2, a commercial navigation facility on the Mississippi River (the “BT2 Boat Ramp Project”); and

WHEREAS, on August 25, 2023, FEMA awarded \$995,750 (the “2023 PSGP Funding”) to the Port Authority for the BT2 Boat Ramp Project, subject to acceptance by the Port Authority and execution of a grant agreement with FEMA.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL: That the Port Authority authorizes the execution of any grant or assistance agreements necessary to document the award and accept the funding (collectively, the “Grant Agreement”) with FEMA to enable the receipt of the awarded funding.

BE IT FUTHER RESOLVED that the Port Authority has the legal authority to apply for and accept financial assistance, and has the institutional, managerial, and financial capability to ensure adequate project administration of any financial assistance received.

BE IT FURTHER RESOLVED that the current funding sources for the BT2 Boat Ramp Project include: (a) the 2023 PSGP Funding in the amount of \$995,750; and (b) \$333,250 committed from the Port Authority. The Port Authority, through its River Maintenance Account funded by monthly fees and funding contributions from its river terminal tenants, has budgeted for and will make available the necessary matching funds to be contributed by the Port Authority to fulfill the PSGP local share requirement under Section 102 of the Maritime Transportation Security Act of 2002 (Pub. L. No. 107-295, as amended) (46 U.S.C. § 70107), and the Port Authority agrees to cover any additional project costs and potential overruns necessary to fully fund and complete the BT2 Boat Ramp Project.

BE IT FURTHER RESOLVED that because the property subject to improvement is leased by the Port Authority, as landlord, to a private party, Upper River Services, LLC (URS), as tenant, URS will commit the majority of the total amount necessary to meet the Port Authority’s local share requirement and cover any additional project costs and overruns necessary to fully fund and complete the BT2 Boat Ramp Project. The amount of URS’s financial commitment towards the local match/cost share requirement will be determined based on lease agreement negotiations, with any remaining balance funded from the Port Authority’s River Maintenance Account.

BE IT FURTHER RESOLVED that the Port Authority has not violated any federal, state, or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that the Port Authority certifies that it will comply with all applicable laws and regulations as stated in the grant or assistance agreements necessary to document the award.

BE IT FURTHER RESOLVED that the President or anyone acting under his direction is hereby authorized and directed to execute any and all necessary documents to document any necessary grant or assistance agreements necessary to document the award and accept the funding described in these resolutions.

Adopted: June 25, 2024

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____
Its Chair

ATTEST:

By _____
Its Secretary

**REGULAR BOARD MEETING
MAY 28, 2024**

The regular meeting of the Port Authority Board was held on May 28, 2024, at 3:00 p.m. in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street, Suite 240, Saint Paul, Minnesota, 55102.

The following Board members were present:

Matt Slaven	Don Mullin	John Bennett
Cheniqua Johnson	Rebecca Noecker	Nneka Constantio

Also, present were the following:

Jan Almquist	Tonya Bauer	Rick Howden
Todd Hurley	Holly Huston	Sarah Illi
Bruce Kessel	Annamarie Kosel	Dana Krueger
Emily Lawrence	Kathryn Sarnecki	Laurie Siever
Gao lab Thao	Nikki Tix	Eve Turner
Phoua Vang	Annie Watson	Kristine Williams
Linda Williams	J.P. Yohannes	

Angela Riffe, City of Saint Paul
Melanie Johnson, City of Saint Paul
Andrew Kasid, District Energy

APPROVAL OF MINUTES

Commissioner Noecker made a motion to approve the minutes of the April 30, 2024, special Board meeting. The motion was seconded by Commissioner Mullin and carried unanimously.

CONFLICT OF INTEREST

There were no conflicts of interest with any of the items on the agenda.

NEW BUSINESS

ADMINISTRATIVE COMMITTEE

RESOLUTION NO. 4779

AUTHORIZATION FOR THE CONTINUATION OF CAPITAL CITY PROPERTIES

Motion was made by Commissioner Mullin to approve Resolution No. 4779, which was reviewed by the Administrative Committee and recommended for approval by the Board. The motion was seconded by Commissioner Constantino and carried unanimously.

ACCEPTANCE OF THE 2023 AUDIT

Motion was made by Commissioner Mullin to accept the Saint Paul Port Authority’s (the “Port Authority”) 2023 audit, which was reviewed by the Administrative Committee and recommended for approval by the Board. The motion was seconded by Commissioner Constantino and carried unanimously.

CREDIT COMMITTEE

**RESOLUTION NO. 4780
PUBLIC HEARING – CONVEYANCE OF LAND TO AMANI
CONSTRUCTION & DEVELOPMENT, LLC – BEACON BLUFF BUSINESS CENTER**

Chair Slaven stated that in accordance with Minnesota Law, the Port Authority is required to hold a public hearing regarding Resolution No. 4780 and declared the Public Hearing open. He asked if anyone in attendance wished to address the Board. No member from the public presented comments to the Board. Chair Slaven declared the Public Hearing closed and asked if any Board member had questions or comments regarding Resolution No. 4780.

Commissioner Constantino made a motion to lay over Resolution No. 4780 and refer the matter to Credit Committee for further discussion and consideration at the June 25, 2024 Credit Committee and Board meetings. After discussion, the motion was seconded by Commissioner Noecker and carried unanimously.

Commissioner Constantino requested that a representative from the Rondo Community Land Trust attend the June 25, 2024 meetings of the Credit Committee and Board to discuss its partnership with Amani Construction & Development, LLC.

**RESOLUTION NO. 4781
AUTHORIZATION TO ACCEPT GRANT FUNDING FOR THE CONSTRUCTION OF
SERENITY TOWNHOMES ON BEHALF OF AMANI CONSTRUCTION & DEVELOPMENT, LLC**

Motion was made by Commissioner Mullin to approve Resolution Number 4781, which was reviewed by the Credit Committee and recommended for approval by the Board. Hearing no second, the motion was not considered.

Commissioner Noecker left the meeting.

**RESOLUTION NO. 4782
APPROVAL OF LEASE AMENDMENT TO INCLUDE
MMB LANGUAGE FOR UPPER RIVER SERVICES – BARGE TERMINAL 2**

Motion was made by Commissioner Mullin to approve Resolution No. 4782, which was reviewed by the Credit Committee and recommended for approval by the Board. The motion carried unanimously.

RESOLUTION NO. 4783

APPROVAL OF LEASE EXTENSION FOR BWC TERMINALS, LLC – BARGE TERMINAL 1

Motion was made by Commissioner Mullin to approval Resolution No. 4783, which was reviewed by the Credit Committee and recommended for approval by the Board. The motion carried unanimously.

RESOLUTION NO. 4784

**APPROVAL OF LEASE AMENDMENT AND RENTAL RATE ADJUSTMENT
FOR THE CITY OF SAINT PAUL IMPOUND LOT – SOUTHPORT TERMINAL**

Motion was made by Commissioner Mullin to approval Resolution No. 4784, which was reviewed by the Credit Committee and recommended for approval by the Board. The motion carried unanimously.

RESOLUTION NO. 4785

APPROVAL OF DECLARATION OF COVENANTS – THE HEIGHTS RESIDENTIAL LOTS

Motion was made by Commissioner Mullin to approval Resolution No. 4785, which was reviewed by the Credit Committee and recommended for approval by the Board. The motion carried unanimously.

RESOLUTION NO. 4786

SUPPORT FOR CREATION OF 501(c)3 ORGANIZATION – THE HEIGHTS COMMUNITY ENERGY

Motion was made by Commissioner Mullin to approval Resolution No. 4786, which was reviewed by the Credit Committee and recommended for approval by the Board. The motion carried unanimously.

GENERAL MATTERS

Such Other Business That May Come Before the Board

There being no further business, the meeting was adjourned at 3:21 p.m.

By _____

Its _____