

**CITY OF HASTINGS
DAKOTA COUNTY, MINNESOTA**

HEDRA RESOLUTION NO. 2022-27

**A RESOLUTION OF THE HASTINGS ECONOMIC DEVELOPMENT AND
REDEVELOPMENT AUTHORITY (HEDRA) APPROVING REVOLVING LOAN TO RH HOLDINGS, LLC**

WHEREAS, the Hastings Economic Development and Redevelopment Authority (HEDRA) has established an Economic Development Revolving Loan Fund and Guidelines pursuant to Minnesota State Statutes 469.01 on April 13, 2017; and

WHEREAS, RH Holdings, LLC (Applicant) owns the property located at 1250 South Frontage Road which is identified as PID 19-83010-01-010; and

WHEREAS, The Applicant submitted a revolving loan application for \$20,000 to support various building and property improvements at a total cost of \$189,900; and

WHEREAS, the Applicant has secured private financing totaling more than 60% of the total project cost as well as improvements that include fire suppression systems which based on the HEDRA loan guidelines qualifies the Applicant for a reduction in their fixed interest rate from 4.0% to 3.5%; and

WHEREAS, HEDRA finds that the loan is not a business subsidy under Minnesota State Statues 116J.993 and that the loan meets Economic Development Revolving Loan Fund program guidelines; and

WHEREAS, Staff has outlined a loan in the amount of \$20,000 which would have terms of 1 year payment and interest free and then a term of 5 years at a fixed interest rate of 3.5%; and

NOW THEREFORE BE IT RESOLVED, that HEDRA authorizes signature of loan agreements as outlined above contingent upon the following:

- 1) Securing the loan through a mortgage recorded against the Property
- 2) Securing the loan through a guarantee from RH Holdings, LLC
- 3) Execution of a Loan Agreement between HEDRA and RH Holdings, LLC

**ADOPTED BY THE HASTINGS ECONOMIC DEVELOPMENT AND REDEVELOPMENT AUTHORITY
THIS 7th DAY OF June, 2022.**

AYES:

NAYS:

Bruce Goblirsch, President

Eric Maass, Secretary

This instrument drafted by:
City of Hastings
101 East 4th Street
Hastings, MN 55033