



CARVER COUNTY
COMMUNITY
DEVELOPMENT
AGENCY

Board of Commissioners Packet

March 5th, 2025

3:00 p.m. - Special Meeting

CDA Office, 705 N. Walnut Street, Chaska





**CARVER COUNTY CDA
BOARD OF COMMISSIONERS**

Agenda

Meeting Date: March 5, 2025	3:00 pm	CDA Boardroom, Chaska, MN
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1. Call To Order and Roll Call

2. Audience

Anyone wishing to address the CDA Board on an item not on the agenda, or an item on the consent agenda, may notify Ellie Logelin (elliel@carvercda.org or 952-448-7715) and instructions will be given to participate during the meeting or provide written comments. Verbal comments are limited to five minutes.

3. Approval of Agenda

4. Regular Agenda

A. Approval of Subordination of CDA Loan to Humanity Alliance

5. Adjournment

For More Information, call 952-448-7715

Carver County CDA Board meeting agendas are available online at:

<https://www.carvercda.org/about-us/board-members>

Next Meeting:

CDA Board of Commissioners Regular Meeting

March 20, 2025 at 5:00 pm

Carver County CDA Boardroom, 705 N Walnut St Chaska, MN 55318



Board of Commissioners

Request for Board Action

Meeting date: March 5, 2025

Agenda number: 4A

DEPARTMENT: Community Development

FILE TYPE: Regular Agenda

TITLE: Approval of Subordination of CDA Loan to Humanity Alliance

PURPOSE/ ACTION REQUESTED: Approve Subordination Request from Humanity Alliance

SUMMARY: At the October 21, 2021 board meeting, the CDA board, through Resolution 21-43, approved providing funding to Humanity Alliance in the amount of \$149,999. The loan was approved at 0% interest for an 11 year term. This was approved at the same time as the ARPA funding from the County. The County signed an agreement with the CDA for this funding and the CDA subsequently signed an agreement with Humanity Alliance for the ARPA funding.

Humanity Alliance owns 7600 Victoria Blvd in Victoria (Unite Lodge) under a contract for deed. They are proposing new financing to pay off the contract for deed. As part of this financing, a request has been made for the CDA to subordinate its loan. Humanity Alliance is currently 6 months behind and \$7,560 in arrears on their loan payment to the CDA. The current outstanding balance owed on the loan is \$116,159. As part of the subordination request, Humanity Alliance will be required to bring the loan current. The original board approval from February 20, 2025 through resolution 25-20 was to subordinate with the addition of an amendment to the funding and development agreement. After further discussion with F & M Bank, Humanity Alliance and consultation with the CDA's counsel, we are recommending subordination without the amendment.

RECOMMENDATION: Approve Subordination Request from Humanity Alliance

EXPLANATION OF FISCAL/ FTE IMPACTS:

☐ None ☐ Current budget ☒ Other ☐ Amendment requested ☐ New FTE(s) requested

RESOLUTION:

WHEREAS, Carver County agreed to provide \$300,000 in grant funds towards the construction of the housing portion of Unite Lodge; and

WHEREAS, the CDA contributed \$149,999 in loan funds towards the construction of the commercial kitchen in Unite Lodge via approval of Resolution 21-43 on October 21, 2021.

WHEREAS, Humanity Alliance is requesting a subordination of the CDA loan and the CDA agrees to that subordination.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Carver County Community Development Agency as follows:

That the Executive Director is hereby authorized to execute the Subordination agreement for the Humanity Alliance funding.

PREVIOUS BOARD ACTION

Resolution 21-43

Resolution 25-20

ATTACHMENTS

Subordination Agreement

BOARD GOALS

☐ Focused Housing Programs ☒ Collaboration ☐ Development/Redevelopment
☐ Financial Sustainability ☐ Operational Effectiveness

PUBLIC ENGAGEMENT LEVEL

☐ Inform and Listen ☐ Discuss ☐ Involve ☒ N/A

CONTACT

Department Head: Melodie Bridgeman, Director of Community Development

Author: Allison Streich, Executive Director

(Top 3 inches reserved for recording data)

SUBORDINATION AGREEMENT
by Business Entity

DATE: **March** _____, **2025**

FOR VALUABLE CONSIDERATION, the undersigned hereby subordinates the lien on real property in **Carver** County, Minnesota, legally described as follows:

See Exhibit A, attached hereto.

Check here if all or part of the described real property is Registered (Torrens) ☒

which is evidenced by **Mortgage** in favor of **Carver County Community Development Agency**, dated **November 1, 2021**, and recorded on **December 9, 2021**, as Document Number **T222667** in the Office of the Registrar of Titles of **Carver** County, Minnesota, to a senior lien evidenced by a **Mortgage** from **The Humanity Alliance, a Minnesota nonprofit corporation** to **Farmers & Merchants State Bank of Pierz**, in an amount not to exceed **Five Hundred Thousand Dollars (\$500,000.00)** and recorded on _____, as Document Number _____, in the Office of the Registrar of Titles of **Carver** County, Minnesota, and subject to the execution of the First Amendment to Funding and Development Agreement.

Note: Remainder of page left blank, signature page follows.

Carver County Community Development Agency

By: _____

Its: Executive Director

State of Minnesota, County of **Carver**

This instrument was acknowledged before me on **March** _____, **2025**, by **Allison Streich**, as **Executive Director** of the **Carver County Community Development Agency**, a public body politic and corporate under the laws of the State of Minnesota.

(Seal, if any)

(signature of notarial officer)

Title (and Rank): Notary Public

My commission expires: _____
(month/day/year)

THIS INSTRUMENT WAS DRAFTED BY:
Timothy A. Thrush
Attorney at Law
4810 White Bear Pkwy, Suite 100
White Bear Lake, MN 55110

EXHIBIT A
LEGAL DESCRIPTION

Those parts of Government Lots 4 and 6 of Section 11, Township 116, Range 24, Carver County, Minnesota, described as follows:

Commencing at the Northwest corner of said Section 11; thence South 2 degrees 36 minutes 54 seconds East (assuming the North and South Quarter line of said Section 11 has a bearing of North) a distance of 1930.53 feet along the west line of said Section 11; thence South 86 degrees 32 minutes 48 seconds East a distance of 123.92 feet; thence southeasterly on a tangential curve to the right having a radius of 730.59 feet a distance of 773.93 feet; thence South 25 degrees 51 minutes 08 seconds East tangent to the last described curve a distance of 729.86 feet; thence southeasterly on a tangential curve to the left having a radius of 829.78 feet a distance of 5.62 feet; thence South 41 degrees 09 minutes 15 seconds West, along a line not tangent to the last described curve, a distance of 112.99 feet to a Judicial Landmark set pursuant to District Court Case No. 13873; thence North 41 degrees 09 minutes 15 seconds East a distance of 657.71 feet to a Judicial Landmark set pursuant to District Court Case No. 13873; thence South 51 degrees 20 minutes 19 seconds East a distance of 593.03 feet; thence South 41 degrees 15 minutes 57 seconds West a distance of 274.92 feet; thence North 48 degrees 44 minutes 03 seconds West a distance of 225.62 feet to a point hereinafter referred to as point "A"; thence South 48 degrees 44 minutes 03 seconds East a distance of 616.40 feet; thence South 41 degrees 19 minutes 10 seconds West a distance of 315.95 feet to a point hereinafter referred to as point "X"; thence North 48 degrees 40 minutes 32 seconds West a distance of 565.83 feet, to the intersection with a line bearing South 32 degrees 12 minutes 30 seconds West from the above referenced point "A"; thence South 48 degrees 40 minutes 32 seconds East a distance of 199.87 feet to the point of beginning of the land to be described, thence continuing South 48 degrees 40 minutes 32 seconds East a distance of 365.96 feet to said point "X"; thence North 41 degrees 19 minutes 10 seconds East a distance of 315.95 feet; thence South 48 degrees 44 minutes 03 seconds East a distance of 400.22 feet; thence South 41 degrees 15 minutes 57 seconds West a distance of 386.59 feet, thence North 41 degrees 34 minutes 13 seconds West a distance of 6.21 feet; thence northwesterly a distance of 402.04 feet along a tangential curve concave to the southwest having a radius of 3252.63 feet and a central angle of 7 degrees 04 minutes 55 seconds; thence North 48 degrees 39 minutes 08 seconds West, tangent to said curve, a distance of 359.39 feet to the intersection with a line bearing South 41 degrees 19 minutes 43 seconds West from said point of beginning; thence North 41 degrees 19 minutes 43 seconds East a distance of 44.34 feet to the point of beginning.