



City of Blaine Anoka County, Minnesota

Blaine City Hall
10801 Town Sq Dr NE
Blaine MN 55449

Legislation Text

File #: RES 20-54, Version: 1

ADMINISTRATION - *Joe Huss, Finance Director*

AUTHORIZING THE EXECUTION OF A LEASE AMENDMENT RELATING TO THE FOGERTY ARENA “ICE HOUSE” PROJECT

At the March 16, 2020 Council meeting, the City Council approved an amendment to the Real Property Lease with Fogerty Arena, extending the lease term to January 1, 2055. Upon further review of the lease, the parties are requesting additional language be added regarding access to parking on the city-owned property adjacent to the property being leased by Fogerty. The agreement would add that Fogerty has a non-exclusive right to use the city-owned parking lots that are adjacent to the leased property.

Existing surveys of the property are unclear as to the boundaries included in the lease. It is possible that all or a portion of one or more of the arena parking lots might not be included within the boundaries of the leased property. Adding the proposed language to include property “adjacent to” the leased property remedies that situation.

It is felt that this addition is of mutual benefit to the parties in that it secures access to the necessary amount of parking for Fogerty Arena throughout the term of the lease while not ceding control of the parking rights on the City’s part. Thus, staff recommends that Council adopt the following resolution approving the attached Amended Lease Agreement.

BE IT RESOLVED By the City Council (the “Council”) of the City of Blaine, Anoka and Ramsey Counties, Minnesota (the “City”) as follows:

Section 1. The Blaine Economic Development Authority (the “EDA”) has received from Fogerty Arena, “The Ice House”, a Minnesota nonprofit corporation (the “Borrower”), a proposal that the EDA issue its Recreational Facility Revenue Refunding Note (Fogerty Arena “The Ice House” Project), Series 2020 in a principal amount not to exceed \$4,000,000 (the “Note”), pursuant to Minnesota Statutes, Chapter 469.152 to 469.1655 (the “Act”) to (i) assist in financing improvements to the Borrower’s facilities located at 9250 Lincoln Street NE in the City (the “Facilities”), including without limitation, replacement or renovation of the compressor system for the ice arena; and (ii) refund the outstanding balance of the City’s Recreational Facility Revenue Note, Series 2012 (Fogerty Arena, “The Ice House” Project); (iii) pay a portion of the interest on the note, if necessary; and (iv) pay a portion of the costs of

issuing the note, if necessary (collectively the “Project”). The Facilities will be owned and operated by the Borrower on land owned by and leased from the City.

Section 2. By a resolution adopted on March 16, 2020, the City Council approved an amendment to the City’s existing lease of the Facilities with the Borrower (the “Existing Lease”) to extend the lease term beyond the term of the Note.

Section 3. The Borrower has requested that the Existing Lease be further amended to permit non-exclusive use of the City’s adjacent parking lots during the term of the lease.

Section 4. Pursuant to a Third Amendment to Amended Real Property Lease Agreement (the “Lease Amendment”) to be executed by the Borrower, the City will extend the term of the lease previously entered into with the Borrower and grant a license for the non-exclusive use of the City’s adjacent parking lots during the term of the lease. A draft of the Lease Amendment has been submitted to the City Council.

Section 5. Authorization to Execute Agreements. The form of the proposed Lease Amendment is hereby approved in substantially the form heretofore presented to the City Council, together with such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by Bond Counsel prior to the execution of the Lease Amendment, and the Mayor and City Manager of the City are authorized to execute the Lease Amendment in the name of and on behalf of the City and such other documents as Bond Counsel consider appropriate in connection with the issuance of the Note. In the event of the absence or disability of the Mayor or the City Manager such officers of the City as, in the opinion of the City Attorney, may act on their behalf, shall without further act or authorization of the City Council do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers. The execution of any instrument by the appropriate officer or officers of the City herein authorized shall be conclusive evidence of the approval of such documents in accordance with the terms hereof.

PASSED by the City Council of the City of Blaine this 6th day of April, 2020.