

Memorandum

TO: City Council

FROM: Tom Simonson , Assistant City Manager and Community Development Director

DATE: March 16, 2026

SUBJECT: Resolution approving assignment and assumption of tax increment financing documents with respect to the sale of 4100 Lexington office building (TIF 13)

ITEM NUMBER: 8.h

SECTION: CONSENT AGENDA

REQUESTED MOTION

To adopt Resolution No. 26-13, approving the assignment of tax increment financing documents relating to the sale of the 4100 Lexington Avenue building (TIF District 13).

INTRODUCTION

Shoreview Ridge Office LLC, the developer and owner of the 4100 Lexington Avenue building with Tax Increment District 13, is pursuing the transfer ownership of the Project (as defined in the Development Agreement) to Yellowbrick II, LLC, and assign its interest in the Tax Increment Financing Documents to the buyer pursuant to an Assignment and Assumption of Tax Increment Financing Documents, for which consent of the city is required by resolution adopted by the city council.

DISCUSSION

The city entered into a Development Agreement, dated as of December 1, 2019, followed by execution of amended an Amended and Restated Development Agreement, dated October 13, 2022, with Shoreview Ridge Office LLC. Pursuant to the terms of the Development Agreement, the city issued a Tax Increment Revenue Note (Shoreview Ridge Office LLC 4100 Building Project) in the principal amount of \$4,700,000, dated August 21, 2023.

The city and the developer are also parties to an Assessment Agreement dated December 1, 2019, subsequently amended in an Amended and Restated Assessment Agreement dated December 6, 2022, and together with the Development Agreement and the TIF Note, a minimum market value was established for the Development Property (as defined in the Development Agreement) and the improvements constructed. The developer undertook and completed all building and site improvements, as required.

The developer proposes to transfer ownership of the Project (as defined in the Development Agreement) to Yellowbrick II, LLC, and assign its interest in the Tax Increment Financing Documents to the Assignee pursuant to an Assignment and Assumption of Tax Increment Financing Documents. The Assignment and Assumption requires the consent of the city.

A resolution and Assignment and Assumption Agreement have been prepared the city's tax increment development legal counsel at the Taft Law firm. No financial terms of the tax increment assistance previously approved changes with the proposed assignment, and there is no risk to the city associated with this action. It is our understanding that while ownership is changing, Eagle Ridge Partners will continue to manage the property at 4100 Lexington Avenue.

RECOMMENDATION

Staff is recommending the city council adopt Resolution No. 26-13, approving the assignment of tax increment financing documents relating to the sale of the 4100 Lexington Avenue building (TIF District 13).

ATTACHMENTS

[RESOLUTION 26-13 APPROVING ASSIGNMENT \(2026\) Shoreview TIF 13 \(Shoreview Ridge Office LLC - 4100 Building\)](#)

[Shoreview Ridge Office LLC 4100 Building ASSIGNMENT OF TAX INCREMENT FINANCING DOCUMENTS TIF 13 \(2026\)](#)