

**AMENDMENT NUMBER 1 TO MEMORANDUM OF AGREEMENT BETWEEN  
THE CITY OF MINNEAPOLIS AND  
THE HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY**

This Amendment Number 1 to Memorandum of Agreement No. A082598 (HCRRA Contract Number) dated April 2009 is made between the City of Minneapolis (the “City”) and the Hennepin County Regional Railroad Authority (“HCRRA”) (collectively, the “Parties”).

**Recitals**

WHEREAS, the Parties entered into Memorandum of Agreement No. A082598 (HCRRA Contract Number) (the “MOA”) dated April 2009 regarding, among other things, the Intermodal Station, acquisition and preservation of property interests related to future transportation projects, the Cedar Lake Trail and development of adjacent areas; and

WHEREAS, HCRRA has obligated itself to make certain payments to a third party in furtherance of the matters covered by the MOA (see Amended and Restated Agreement dated July 25, 2012 between HCRRA and Hines North Loop Green LLC (attached as Exhibit A hereto) (the “Hines Agreement”)), to wit, securing an option for additional transportation easements, securing an option for a new easement for relocation of the Cedar Lake Trail as provided in Section 3.4.1 of the Hines Agreement (the “Trail Easement”), and facilitating adjustments to adjacent private development to improve compatibility with rail and trail interests; and

WHEREAS, the Parties now wish to amend the MOA to reflect developments since the MOA was originally executed.

NOW, THEREFORE, in consideration of the Parties’ actions and mutual promises, the Parties hereby amend the MOA as follows:

1. Section 9(c) of the MOA is stricken and replaced by the following:

“(c) HCRRA and the City will jointly pursue federal and state funding for funds to relocate the Cedar Lake Trail upon its displacement by the rail transit project and will share equally in payment of the local funding portion of and/or shortfall in revenue to cover the costs related to relocating the trail from Parcels 14 and 15.

Those costs include, but are not limited to, certain obligations made by HCRRA pursuant to the Hines Agreement. Easement costs and other initial costs of the Hines Agreement are summarized as follows:

\$35,000	Already paid by HCRRA
\$239,250	Due within 30 days of Hines’ closing on the Duddy option, for the option for the Trail Relocation Easement (already paid by HCCRA)

\$85,000	Due within 90 days of Hines' closing on Duddy option (already paid by HCRRA)
\$787,500*	Due within 30 days after Hines begins construction on its next development, and the next installment on the option for the Trail Relocation Easement, or at such sooner time as HCRRA elects to exercise the easement option
\$558,250*	Due when HCRRA exercises on the option for the Trail Relocatoin Easement, or at such sooner time as HCRRA elects to exercise the easement option

\*Adjusted for CPI per agreement

The Hines Agreement will also likely require additional trail relocation costs at such time as the trail may be relocated, and for other associated purposes.

Without limiting any other funding obligations of the City pursuant to this Section 9, or any other part of this or any other Agreement, the City agrees to promptly reimburse HCRRA, upon invoice by HCRRA, for 50 percent of the above-enumerated costs and other trail relocation costs required by the Hines Agreement, to the extent not offset by other funding sources, when such payments are due or made.”

2. Section 12(a) of the MOA is stricken and replaced by the following:

“(a) The parties agree that upon the completion of eminent domain proceedings, the City will file a final certificate in a form acceptable to HCRRA which reflects the joint financing of the acquisition of the permanent transportation easements. The parties agree that the City will record with the County Recorder/Registrar of Titles a Memorandum with respect to Parcels 14 and 15 reflecting HCRRA’s interests in such easements. The City acknowledges that HCCRRA has secured an option for an easement for the new alignment of the Cedar Lake Trail. Therefore, the parties agree that the City will transfer the permanent transportation easements to HCRRA at such time as needed for the development of the rail transit project , consistent with the provisions of the grant agreements funding the Cedar Lake Trail.”

3. Section 12(b) of the MOA is stricken and replaced by the following:

“(b) The parties agree that at such time as HCRRA (or another rail project developer identified by HCRRA) requires use of the permanent transportation easements against Parcels 14 and 15 for rail transit purposes, including related facilities, the City will record a document against the title of Parcels 14 and 15, in form acceptable to HCRRA and consistent with the grant agreements funding the Cedar Lake Trail, which memorializes the transfer of the City’s ownership interest in the permanent transportation easements over Parcels 14 and 15 to HCRRA or another rail project developer.”

Except as provided by the forgoing amendments, the MOA is not further amended.