

MINNEAPOLIS CITY COUNCIL OFFICIAL PROCEEDINGS

REGULAR MEETING OF

OCTOBER 12, 2001

(Published October 20, 2001,
in *Finance and Commerce*)

Room 132 City Hall
250 South 5th Street
Minneapolis, Minnesota
October 12, 2001 - 9:30 a.m.

Council President Cherryhomes in the Chair.

Present - Council Members Campbell, Biernat, Goodman, Colvin Roy, McDonald, Mead, Lane, Johnson, Thurber, Ostrow, Council President Cherryhomes.

Absent - Niland.

Campbell moved acceptance of the minutes of the regular meeting of September 28, 2001. Seconded.

Adopted upon a voice vote.

Campbell moved referral of petitions and communications and reports of the City officers to proper Council committees and departments. Seconded.

Adopted upon a voice vote.

PETITIONS AND COMMUNICATIONS

COMMUNITY DEVELOPMENT (See Rep):

COMMUNITY DEVELOPMENT AGENCY, MINNEAPOLIS (MCDA) (267338)

Lot Division & Land Sale: 1907-25th Ave N.

Holiday Inn Metrodome Project: Resolution granting final approval to issue refunding bonds for Seven Corners Hotel Partners Limited Partnership.

COMMUNITY DEVELOPMENT and WAYS & MEANS/BUDGET (See Rep):

COMMUNITY DEVELOPMENT AGENCY, MINNEAPOLIS (MCDA) (267339)

West Broadway Façade Improvement Program: Approve Commercial Corridors set-aside to support program.

Plymouth/Penn Project: Accept & appropriate MN Department of Trade & Economic Development grant for contamination cleanup.

Humboldt Greenway Project: Resolution authorizing issuance of bonds & approval of tax increment pledge.

West Side Milling Project: Resolution authorizing issuance of bonds & approval of tax increment pledge.

HEALTH AND HUMAN SERVICES (See Rep):

HEALTH AND FAMILY SUPPORT SERVICES (267340)

Classroom Instruction at Minneapolis Community and Technical College: Execute contract with Minnesota State Colleges and Universities to provide instruction for up to 30 individuals to become Medical Office Support Specialists in clinics operated by Fairview/University Hospitals.

Partners in Progress Grant: Execute Amendment #1 to Grant Agreement with Hennepin County to extend performance period through June 30, 2002.

HEALTH AND FAMILY SUPPORT SERVICES (267341)

Skyway Senior Center: Extend License Agreement with Ryan Companies US Inc through September 30, 2006 for community space located on S 10th St & LaSalle Av.

Phillips Weed and Seed: Execute Amendment #2 to Contract with American Indian Business Development Corporation for additional funding to continue implementation of Franklin Avenue Community Safety Center.

Welfare-to-Work/Employment & Training Services: Execute contract with Hennepin County Children Family and Adult Services Department to provide assessments for chemical health and/or mental health evaluations, case management services, and assessment of extensions for participants nearing their 60th month on Minnesota Family Investment Program.

HEALTH AND HUMAN SERVICES and WAYS & MEANS/BUDGET (See Rep):

HEALTH AND FAMILY SUPPORT SERVICES (267342)

Skyway Senior Center: Accept \$50,000 from Target Corporation to support operation of Center; Approve appropriation; Authorize seek and accept financial support from business community and grantor organizations on behalf of Center; and Refer request to add 1.0 Full-Time Coordinator position to 2002 budget process.

Back to School Project at New Family Center: Receive \$850 from U-Care to purchase backpacks and limited school supplies for school-aged children.

Phillips Weed & Seed: Transfer \$1,000 from Police Department to Health & Family Support to support Franklin Safety Center.

LICENSES AND CONSUMER SERVICES (267343)

Lead Safe Housing: Submit grant application to State of Minnesota Department of Health for provision of temporary lead-safe housing and associated relocation costs for families displaced by lead hazard reduction.

INTERGOVERNMENTAL RELATIONS:

HENNEPIN COUNTY (267344)

Tax Panel: Hennepin County Assessor: Charts re limited market value and homestead market value credit as affected by the 2001 tax bill.

INTERGOVERNMENTAL RELATIONS (See Rep):

REGULATORY SERVICES & DEPT OF HEALTH & FAMILY SUPPORT (267345)

Charter: Proposed ordinance amending Chapter 14 of Charter relating to Board of Health; Background report.

PUBLIC SAFETY AND REGULATORY SERVICES (See Rep):

FIRE DEPARTMENT (267346)

Fire Lanes: Ordinance amending Title 9, Chapter 174 of Code adding a new Article II entitled Establishment of Fire Lanes on Private and Public Property to ensure Fire Department personnel have proper access to all property in City for all emergency and fire equipment.

INSPECTIONS DEPARTMENT (267347)

Raze: 1114 17th Av N; 5308 47th Av S.

LICENSES AND CONSUMER SERVICES (267348)

Daylight Used Auto Parts (3207 Cedar Av S): Grant Motor Vehicle Used Parts Dealer License, subject to operating conditions.

Tawakal Auto & Electric Service (3601 Minnehaha Av): Grant Provisional Motor Vehicle Repair Garage License, subject to operating conditions.

Licenses: Applications.

PUBLIC SAFETY AND REGULATORY SERVICES and WAYS & MEANS/BUDGET (See Rep):

ATTORNEY (267349)

Administrative Enforcement and Hearing Process: Adoption of Administrative Enforcement Fine Schedule for violations enforced by Inspectors assigned to Licenses and Consumer Services Division of Department of Regulatory Services; and Receive & File Administrative Enforcement and Hearing Process Manual and Administrative Enforcement and Hearing Process Benchbook for Hearing Officers.

POLICE DEPARTMENT (267350)

Hennepin County Chiefs of Police Mutual Aid Pact: Authorize continued participation by Police Department in Mutual Aid Pact with other Hennepin County law enforcement agencies to coordinate resources when circumstances require a response to an event beyond the resources of a single agency.

Minnesota Violent Crime/Fugitive Task Force: Accept agreement with Federal Bureau of Investigation to pay overtime expenses necessary for detection, investigation and prosecution of crimes against the United States.

Drug Enforcement Administration (DEA) State and Local Task Force: Execute Agreement with DEA to detail three officers to Task Force and to receive compensation pursuant to terms of Agreement.

TRANSPORTATION AND PUBLIC WORKS:

PUBLIC WORKS AND ENGINEERING (267351)

Minneapolis 2001 Storm Water Management Program: Set public hearing.

Traffic Zones, Restrictions and Controls: Quarterly submittal of approved zones.

TRANSPORTATION AND PUBLIC WORKS (See Rep):

PUBLIC WORKS AND ENGINEERING (267352)

Extension of 47th Av N: Execute agreement with Canadian Pacific Railway to make roadway changes to reduce truck traffic.

Fire Station Renovation Project: Obtain proposals for design services for renovation of Station #6 at 121 E 15th St.

Special Boulevard Permit: Grant permit for 3429 21st Av S.

Water System Interconnection with St. Paul: Issue RFP to study interconnect possibilities.

TAD 5 Ramp Exit/LRT Conflict Project: Acquisition of area parking lot to be used to implement exiting system and improve LRT traffic situation; Negotiate a Traction Power Sub Station location agreement with Metro Council.

MIDTOWN GREENWAY COALITION (267353)

Asphalt Plant (OP #5695): Area land use objectives.

TRANSPORTATION AND PUBLIC WORKS and WAYS & MEANS/BUDGET (See Rep):

PUBLIC WORKS AND ENGINEERING (267354)

Hawthorne Transportation Center: Final change orders to construction contract with Adolfsen & Peterson.

50th & Xerxes Av S Parking Study: Allocation of Ward 13 Residential Parking Program funds.

Lyn-Lake Municipal Parking Lots: Establish special assessment proceedings and impact fees; Authorize use of Ward 10 Residential Parking Program funds.

Marcy Holmes Neighborhood Streetscape Improvements: Approve streetscape upgrade to street reconstruction project on 6th Av SE between University Av SE and Main St. SE through use of Neighborhood Revitalization Program funds.

Hilltop Reservoir Project: Increase soil work contract with Veit and Company.

Royalston Av Bridge Project: Increase budget due to higher than anticipated bids; Accept low bid of Robert R. Schroeder Construction Inc.

PURCHASING (267355)

Bids: OP #5703, only bid of Custom Products and Services for snow removal in the Dinkytown and Stadium Village Special Service Districts; OP #5709, low bid of Parsons Electric Company for journeyman electrician services; OP #5704, low bid of Lametti & Sons for interceptor and culverts; OP #5695, low bid of Delta Design and Fabrication for asphalt plant renovations; OP #5705, low bid of Robert R. Schroeder Construction for reconstruction of the Royalston Av Bridge.

WAYS AND MEANS BUDGET:

CONVENTION CENTER (267356)

Convention Center Expansion Project: Receive & File change management actions.

ESTIMATE AND TAXATION (267357)

2002 Property Taxes: Receive & File information relating to fixing the maximum amounts that may be levied, in compliance with Truth in Taxation and City Charter.

WAYS AND MEANS BUDGET (See Rep):

ATTORNEY (267358)

Settlement: Settle subrogation claim of State Farm Insurance Company.

Holiday Inn Metrodome Project: Select Leonard, Street and Deinard as the City's bond counsel for refunding commercial development refunding bonds issued by the City.

Independent Investigative Services: Agreement with Stetler & Duffy, Ltd.

CONVENTION CENTER (267359)

Convention Center Expansion Project: Change orders to contracts with Kellington Construction, Inc.; Minuti-Ogle, Inc.; Harris Mechanical (2); Merrimac Construction; Premier Electrical Corporation; Grazzini Brothers & Company.

COORDINATOR (267360)

New Central Library Project: Select Cesar Pelli and Associates/Architectural Alliance as architectural/engineering team for design of project.

Empowerment Zone Funding: Transfer funds approved for Central Community Housing Trust for Franklin-Portland Gateway Project to MCDA, as sub-recipient of funds, and Memorandum of Understanding with MCDA.

Minneapolis Neighborhood Information System: Accept funds from U. S. Department of Commerce for Technology Opportunities Program, execute grant agreement with U. S. Department of Commerce, and execute sub-recipient agreements.

HUMAN RESOURCES (267361)

Property Services Project Coordinator Position: Salary Ordinance.

Criminal Background Check Policy and Procedures: Approve.

INFORMATION AND TECHNOLOGY SERVICES (ITS) (267362)

Internet Service Provider: Issue RFP.

ZONING AND PLANNING (See Rep):

CITY CLERK/SPECIAL PERMITS (267363)

Upton Av N, 2023 (Nick Kellum) reduce yard requirement.

HERITAGE PRESERVATION COMMISSION (267364)

MacPhail School of Music, 1128 LaSalle Av S: Pass resolution designating school as landmark; Staff report with background and findings; Comments of Minnesota Historical Society; Designation Study; Photos.

INSPECTIONS/BOARD OF ADJUSTMENT (267365)

Nottger, Jodi, 5704 23rd Av S: Grant appeal; Notice of appeal & reasons therefor; Board of Adjustment minutes; Staff report on application for variance with attachments.

PLANNING COMMISSION:

424 HOLDINGS LLC (267366)

Permission to vacate alley in block bounded by Washington Av N & 2nd St N, and 4th & 5th Avs N.

UNFINISHED BUSINESS:

CITY CLERK (267366.1)
City Council Calendar: Year 2002.

UNFINISHED BUSINESS (See Rep):

INSPECTIONS DEPARTMENT (267367)
Raze Properties: 1523 Sheridan Av N and 1631 Newton Av N.

FILED:

CITY CLERK (267368)
Jayasuriya, Julian, aka Top Notch Floors, 4153-59 Thomas Av N: Transcript of public hearing in Zoning & Planning Committee on June 27, 2000.
CITY CLERK/SPECIAL PERMITS (267369)
2nd St , 708 (Crosstown Sign) sign;
14th St E, 1000 (Elliot Park Neighborhood Inc) petting zoo;
32nd St E, 2311 (Paula Holden) move garage;
Cedar Av S, 309 (Midwest Mountaineering) tents;
Fremont Av N, 5012 (J C Orvis) move house;
Hennepin E, 1501 (Suburban Lighting) sign;
Knox Av S, 5025 (Nordquist Sign Co) sign;
Lyndale Av S, 5835 (Richfield United Methodist Church) petting zoo;
Oak Grove St, 519 (Cathedral of St Mark) animals.
MINNESOTA STATE OFFICES-Auditor (267370)
City of Mpls, Management & Compliance report for yr ended 12/31/2000.
MINNEHAHA CREEK WATERSHED DISTRICT (267371)
Copy of Rule Revision, Rule E, Dredging

**REPORTS OF
STANDING COMMITTEES**

The **COMMUNITY DEVELOPMENT** Committee submitted the following reports:

Comm Dev - Your Committee, having under consideration the division of the lot at 1907 - 25th Ave N, as set forth in Petn No 267338, and having conducted a public hearing thereon, now recommends passage of the accompanying resolution approving the division, waiving the requirement of a subdivision plat and directing that a copy of the resolution be attached to the deeds conveying the subdivided parcels.

Your Committee further recommends that this action be transmitted to the Board of Commissioners of the Minneapolis Community Development Agency.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

**RESOLUTION 2001R-435
By Niland**

Approving the subdivision of a lot at 1907 - 25th Avenue North.

Whereas, the Minneapolis Community Development Agency (MCDA) has requested that a parcel of land located at 1907 25th Avenue North and legally described as Lots 9 and 10, Block 7, Forest Heights Addition to Minneapolis, according to the recorded plat thereof, and situate in Hennepin County, Minnesota be subdivided as follows:

Parcel JOR 78-10A: Lot 9, except the Westerly 40.4 feet thereof, Block 7, Forest Heights Addition to Minneapolis;

Parcel JOR 78-10B: Lot 9, except the Easterly 5 feet thereof, Block 7, Forest Heights Addition to Minneapolis;

Parcel JOR 78-10C: Lot 10, Block 7, Forest Heights Addition to Minneapolis; and

Whereas, the MCDA intends to convey the subdivided parcels listed above as follows:

JOR 78-10A - to the owner of the adjacent property legally described as 1903 - 25th Avenue North: All that part of Lot 8 lying West of Line of Morgan Avenue as opened by City October 28th 1904, Block 7, Forest Heights Addition to Minneapolis;

JOR 78-10B - to be sold for construction of a single family home legally described as Lot 9, except the Easterly 5 feet thereof, Block 7, Forest Heights Addition to Minneapolis;

JOR 78-10C - to be sold for construction of a single family home legally described as Lot 10, Block 7, Forest Heights Addition to Minneapolis; and

Whereas, the proposed subdivision conforms with Minnesota Statutes Section 462.358 and Land Subdivision Regulations adopted by the Minneapolis City Council on July 14, 1995; and

Whereas, pursuant to due notice thereof published in Finance and Commerce on September 21, 2001, a public hearing on said subdivision and proposed sale was duly held in a joint meeting of the Community Development Committee of the City Council and the Operating Committee of the MCDA at 4:00 p.m., October 1, 2001, in Room 132, Minneapolis City Hall, 350 South 5th Street, in the City of Minneapolis, County of Hennepin, State of Minnesota;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the division of the above-described property be approved and the requirement of a subdivision plat be waived.

Be It Further Resolved that a certified copy of this resolution shall be attached to the deeds conveying the subdivided parcels.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Comm Dev - Your Committee, having under consideration a proposal to issue refunding bonds on behalf of the Holiday Inn Metrodome Project (Washington Ave at "Seven Corners"), and having conducted a public hearing thereon, now recommends passage of the accompanying resolution giving final approval to the issuance of up to \$9 million in City of Minneapolis Commercial Development Revenue Taxable Refunding Bonds for the Seven Corners Hotel Partners Limited Partnership, Series 2001, as set forth in Petn No 267338.

Your Committee further recommends summary publication of the above-described resolution.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Resolution 2001R-436, authorizing the issuance of Commercial Development Revenue Refunding Bonds (Holiday Inn Metrodome Project) Taxable Series 2001 on behalf of Seven Corners Hotel Partners Limited Partnership and authorizing the execution of documents and other matters relating thereto was passed October 12, 2001 by the City Council and approved October 18, 2001 by the Mayor. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2001R-436

By Niland

Authorizing the issuance of Commercial Development Revenue Refunding Bonds (Holiday Inn Metrodome Project) Taxable Series 2001 on behalf of Seven Corners Hotel Partners Limited Partnership and authorizing the execution of documents and other matters relating thereto.

Whereas, The City of Minneapolis, Minnesota (the "City") is authorized by the Municipal Industrial Development Act, Minnesota Statutes, Sections 469.152 to 469.165, as amended (the "Act"), to issue its revenue bonds to finance the cost of acquisition, construction, reconstruction, improvement, betterment or extension of projects, within the meaning of the Act, which promote and encourage economically sound industry and commerce and prevent the emergence of blighted and marginal lands and areas of chronic unemployment, and to enter into revenue agreements (as defined in the Act) with any contracting party; and

Whereas, under the Act the City also may issue revenue refunding bonds to refund such revenue obligations; and

Whereas, the City has previously issued its Commercial Development Revenue Refunding Bonds, Series 1988 (Holiday Inn Metrodome Project) (the "1988 Bonds"), the proceeds of which were loaned to Seven Corners Hotel Partners Limited Partnership, a Minnesota limited partnership (the "Borrower") to refund and refinance bonds issued by the City in 1983 to acquire, construct and equip a hotel facility located on Washington Avenue in the "Seven Corners" area of the City (the "Project"); and

Whereas, the City has previously issued its Commercial Development Revenue Refunding Bonds, Series 1997 (Holiday Inn Metrodome Project) (the "Series 1997 Bonds"), the proceeds of which were loaned to the Borrower to refund and refinance the 1988 Bonds; and

Whereas, the City has received a proposal from the Borrower that the City issue its Commercial Development Revenue Refunding Bonds (Holiday Inn Metrodome Project) Taxable Series 2001 (the "Bonds") in the principal amount of not more than \$9,000,000 under the Act and lend the proceeds thereof to the Borrower for the purpose of refunding the outstanding principal amount of the 1997 Bonds, paying certain costs and expenses of issuing such bonds, and to finance certain improvements to the Project; and

Whereas, substantially final drafts of the following documents (the "Documents") relating to the Project and the Bonds have been prepared and submitted to the City and are on file in the office of the City Clerk:

(a) Loan Agreement, to be dated as of November 1, 2001 (together with the Original Loan Agreement as defined therein -- the "Loan Agreement"), proposed to be made and entered into between the City and the Borrower;

(b) Indenture of Trust, to be dated as of November 1, 2001 (together with the Original Indenture as defined therein - the "Indenture"), proposed to be made and entered into between the City and U.S. Bank Trust National Association, as trustee (the "Trustee");

(c) Mortgage and Assignment of Leases and Rents to be dated as of November 1, 2001 (together with the Original Mortgage and the Original Assignment, as defined therein -- the "Mortgage"), proposed to be made and entered into between the Borrower and the Trustee;

(d) Bond Purchase Agreement (the "Bond Purchase Agreement"), proposed to be made and entered into among the City, the Borrower and Dain Rauscher Incorporated (the "Underwriter");

(e) Second Amendment to Operating Reserve Fund Trust Agreement, to be dated as of November 1, 2001 (together with the Original Operating Reserve Fund Trust Agreement as defined therein - the "Operating Reserve Fund Trust Agreement"), proposed to be made and entered into between the City and National City Bank of Minneapolis (or its successor) (the "Bank");

(f) Subordination Agreement to be dated as of November 1, 2001 proposed to be made and entered into between the City and the Trustee with respect to the loan to the Borrower of the proceeds of an Urban Development Action Grant; and

Whereas, pursuant to notice published not less than 14 days in advance as required by the Act, a public hearing was held before the City Council on the proposal of the Borrower to finance improvements to the Project through the issuance of the Bonds by the City, at which hearing all those who desired to speak were heard, and in connection with which written comments were taken in advance; and

Whereas, the principal, premium, if any, and interest on the Bonds shall be payable solely from the revenues pledged therefor under the Indenture, and the Bonds shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation of indebtedness or constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers;

Now, Therefore, Be It Resolved By The City Council of The City of Minneapolis:

That the issuance of the Bonds for the purpose of refunding the 1997 Bonds, paying certain costs and financing certain improvements to the Project is authorized by, and will further the purposes of, the Act and the authorization of the Bonds, the execution and delivery of the Bond Purchase Agreement, the Loan Agreement, the Indenture, the Operating Reserve Fund Trust Agreement and any other documents authorized hereby and thereby to be executed by officers of the City and the performance of all covenants and agreements of the City contained in the Bond Purchase Agreement, the Loan Agreement, the Indenture, the Operating Reserve Fund Trust Agreement and any such other documents and all other acts and things required under the Constitution and laws of the State of Minnesota to make the Bond Purchase Agreement, the Loan Agreement, the Indenture, the Operating Reserve Fund Trust Agreement and any such other documents and the Bonds valid and binding special, limited obligations in accordance with their terms, are authorized by the Act.

Be It Further Resolved that it is desirable that a series of taxable revenue refunding obligations in the principal amount of not greater than \$9,000,000 be issued by the City upon the terms set forth in the Indenture, under the provisions of which a pledge of and security interest in the City's interest in the Loan Agreement and the payments thereunder (except for certain expenses and indemnification) will be granted to the Trustee as security for the payment of principal of, premium, if any, and interest on the Bonds.

Be It Further Resolved that in anticipation of the collection of payments under the Loan Agreement, the City shall proceed forthwith to issue the Bonds in the aggregate original principal amount of not greater than \$9,000,000, in the form and upon the terms set forth in the Indenture (which shall include a recital that the Bonds are issued pursuant to the Act which, as provided in Section 469.160 of the Act, shall be conclusive evidence of their validity and the regularity of their issuance), which terms are for this purpose incorporated into this Resolution and made a part hereof. The principal of the Bonds will be amortized according to a level debt payment 25-year schedule, but all the outstanding principal of the Bonds will mature and be payable in full (with accrued interest thereon) on December 1, 2011. The Bonds shall have a maximum weighted average "coupon" interest rate of not greater than ten percent (10.0%) per annum; and shall be subject to optional redemption no sooner than December 1, 2006. The compensation of Dain Rauscher Incorporated as underwriter of the Bonds shall not exceed two and one-half percent (2.50%) of the principal amount of the Bonds. The Mayor and the Finance Officer of the City are hereby appointed as the "Pricing Committee" to approve the exact final terms of the Bonds as proposed by the Underwriter with the concurrence of the Borrower, and inclusion thereof in the final form of the Indenture shall be deemed conclusive evidence of approval thereof by the Pricing Committee. The proposal of the Underwriter to purchase the Bonds upon the terms and conditions set forth in the Bond Purchase Agreement is hereby found and determined to be reasonable and is hereby accepted.

Be It Further Resolved that the Bonds are hereby designated "Program Bonds" and are determined to be within the "Economic Development Program" and the "Program," all as defined in Resolution 88R-021 of the City adopted January 29, 1988, and as amended by Resolution 97R-402 of the City adopted December 12, 1997.

Be It Further Resolved that the improvements to the Project (such improvements being a "project" within the meaning of the Act) is hereby given approval by the City Council subject to, among other things, the approval of the Project by the Minnesota Department of Trade and Economic Development ("DTED") or such other state office having authority to grant approval pursuant to the Act, and subject to final approval by the Borrower and the purchaser of the Bonds as to the ultimate details of the financing of the Project.

Be It Further Resolved that in accordance with Subdivision 3 of Section 469.154, the Minneapolis Community Development Agency is hereby authorized and directed to submit the proposal for the Project to DTED requesting its approval, and other officers, employees and agents of the City are hereby authorized to provide DTED with such preliminary information as it may require.

Be It Further Resolved that for the purposes of the Urban Development Action Grant ("UDAG") awarded to the City for the Project, the proceeds of which have been loaned to the Borrower, and for the purposes of all documents related thereto, the refinancing of the 1997 Bonds through the issuance of the Bonds is hereby approved and prepayment of the loan of the proceeds of the UDAG is hereby waived.

Be It Further Resolved that the forms of Documents referred to in the recitals hereof are approved subject to such modifications as are deemed appropriate and approved by the Mayor and the Finance Officer, which approval shall be conclusively evidenced by the execution of such Documents and the Bonds by the Mayor and the Finance Officer. The Mayor, Finance Officer and City Clerk (the "City Officials") are directed to execute the Loan Agreement, the Bond Purchase Agreement, the Indenture and upon execution thereof by the other parties thereto. Copies of all of the Documents shall be delivered, filed and recorded as provided therein. The City Officials also are authorized and directed to execute such other instruments as may be required to give effect to the transactions herein contemplated, including, without limitation, (1) all documents required to amend the terms of the Urban Development Action Grant ("UDAG") loan made with respect to the Project in order to continue the UDAG loan in effect, and (2) all of the certificates, agreements and other instruments as may be required by the Documents approved by this Resolution, which instruments shall be deemed to be certificates or agreements, as the case may be, of the City.

Be It Further Resolved that the City Officials are hereby authorized and directed to execute the Bonds as prescribed herein and in the Indenture by manual or facsimile signature and to deliver them to the Trustee, together with a certified copy of this Resolution, the other documents required in the Indenture, and such other certificates, documents and instruments as may be appropriate to effect the transaction herein contemplated. The Trustee is hereby appointed Trustee, paying agent and authenticating agent with respect to the Bonds pursuant to the Act.

Be It Further Resolved that the approval hereby given to the various documents referred to above includes an approval of such modifications thereto, deletions therefrom and additions thereto as may be necessary and appropriate and approved by the City Attorney and the Mayor prior to the execution of the Documents (to which the City is a party). 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. In the absence or disability of the Mayor, any of the documents authorized by this resolution to be executed may be executed by the Deputy Mayor and in the absence or disability of the Deputy Mayor and/or other City Officials by such officer of the City as, in the opinion of the City Attorney, is authorized to execute such documents.

Be It Further Resolved that the City Officials and other officers of the City are authorized and directed to furnish to the purchaser of the Bonds, the Borrower and bond counsel certified copies of all proceedings and records of the City relating to the Bonds, and such other affidavits and certificates as may be required to show the facts relating to the legality and marketability of the Bonds as such facts appear from the books and records in the officer's custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the City as to the truth of all statements of fact contained therein.

Be It Further Resolved that all covenants, stipulations, obligations and agreements of the City contained in this Resolution and the aforementioned documents shall be deemed to be the covenants, stipulations, obligations and agreements of the City to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the City. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the City by the provisions of this Resolution or the foregoing documents shall be exercised or performed by such officers, board, body or agency thereof as may be required or authorized by law to exercise such powers and to perform such duties. No covenant, stipulation, obligation or agreement herein contained or contained in the aforementioned documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member of the City Council of the City, or any officer, agent or employee of the City in that person's individual capacity, and neither the City Council of the City nor

any officer or employee executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No provision, covenant or agreement contained in the aforementioned documents, the Bonds or in any other document related to the Bonds, and no obligation therein or herein imposed upon the City or the breach thereof, shall constitute or give rise to any pecuniary liability of the City or any charge upon its general credit or taxing powers. In making the agreements, provisions, covenants and representations set forth in such documents, the City has not obligated itself to pay or remit any funds or revenues, other than funds and revenues derived from the trust estate pledged pursuant to the Indenture, which are to be applied to the payment of the Bonds, as provided therein.

Be It Further Resolved that except as herein otherwise expressly provided, nothing in this Resolution or in the aforementioned documents expressed or implied, is intended or shall be construed to confer upon any person or firm or corporation, other than the City or any owner of the Bonds issued under the provisions of this Resolution, any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, this Resolution, the aforementioned documents and all of their provisions being intended to be and being for the sole and exclusive benefit of the City and any owners from time to time of the Bonds issued under the provisions of this Resolution.

Be It Further Resolved that in case any one or more of the provision of this Resolution, or of the aforementioned documents, or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, or of the aforementioned documents, or of the Bonds, but this Resolution, the aforementioned documents, and the Bonds shall be construed and endorsed as if such illegal or invalid provision had not been contained therein.

Be It Further Resolved that this Resolution shall become effective upon its adoption, approval and publication.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

The **COMMUNITY DEVELOPMENT** and **WAYS & MEANS/BUDGET** Committees submitted the following reports:

Comm Dev & W&M/Budget - Your Committee, having under consideration a request from the West Broadway Area Coalition (WBAC) for a \$100,000 grant from the Minneapolis Community Development Agency (MCDA) to support a new façade improvement program, which is also being supported by a \$50,000 grant from the Minneapolis Empowerment Zone, with an additional \$40,000 being raised by WBAC from other sources, now recommends -

a) Approval of the allocation of \$100,000 from the MCDA's Commercial Corridors set-aside to support the West Broadway Façade Improvement Program;

b) Passage of the accompanying resolution increasing the MCDA appropriation in Fund FNA0 (MCDA Neighborhood Development) by \$100,000; and

c) That this action be transmitted to the Board of Commissioners of the MCDA.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

RESOLUTION 2001R-437

By Niland and Campbell

Amending The 2001 Minneapolis Community Development Agency Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by increasing the appropriation in Fund FNA0 - MCDA Neighborhood Development by \$100,000 from available fund balance.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Comm Dev & W&M/Budget – Your Committee recommends passage of the accompanying resolution increasing the Minneapolis Community Development Agency (MCDA) appropriation in Fund SMN0 (State Grants & Loans) by \$37,500 and increasing the Fund SMN0 revenue estimate by \$37,500 to reflect funds received from the Minnesota Department of Trade & Economic Development Contamination Investigation Grant Program to assess the extent of contamination on the southwest corner of Plymouth and Penn Aves in North Minneapolis for the Plymouth/Penn Project, a/k/a the Homewood Town Home Project, a proposal for new construction of 22 townhomes with commercial and retail space.

Your Committee further recommends that this action be transmitted to the Board of Commissioners of the Minneapolis Community Development Agency.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

RESOLUTION 2001R-438

By Niland and Campbell

Amending The 2001 Minneapolis Community Development Agency Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by increasing the appropriation in Fund SMN0 - MCDA State Grants & Loans by \$37,500 and increasing the revenue estimate in Fund SMN0 (3215-04 MN State Grants) by \$37,500.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Comm Dev & W&M/Budget - Your Committee, having under consideration the Humboldt Greenway Redevelopment Tax Increment Plan (approved 2/4/00 and modified 6/22/01), and acquisition costs being incurred by the Minneapolis Community Development Agency (MCDA) as set forth in Petn No 267339, now recommends -

a) Passage and summary publication of the accompanying resolution authorizing the sale and issuance by the City of up to \$4,600,000 in tax-exempt general obligation tax increment bonds and authorizing a tax increment pledge agreement between the City and the MCDA to support such bonds;

b) Passage of the accompanying resolution amending the 2001 MCDA appropriation resolution to adjust the revenue budget in Fund CHG0 (Humboldt Greenway) by increasing revenue code 3910-01 (bond proceeds) by \$4,600,000 and decreasing revenue code 3015-01 (tax increment) by \$4,600,000 to clarify prior appropriation action; and

c) That this action be referred to the Board of Commissioners of the MCDA.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Resolution 2001R-439, authorizing the sale and issuance of the General Obligation Tax Increment Bonds, Series 2001C, of the City of Minneapolis for the Humboldt Greenway Redevelopment Tax Increment Plan, and providing the form, terms, pledge of tax increment revenues and findings, covenants, and directions relating to such obligations was passed October 12, 2001 by the City Council and approved October 18, 2001 by the Mayor. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2001R-439
By Niland and Campbell

Authorizing the sale and issuance of the General Obligation Tax Increment Bonds, Series 2001C, of the City of Minneapolis and providing the form, terms, pledge of tax increment revenues and findings, covenants, and directions relating to such obligations.

Resolved by The City Council of The City of Minneapolis:

SECTION 1. AUTHORIZATION, FINDINGS AND DEFINITIONS.

1.01. The Development District. The Minneapolis Community Development Agency (the "Agency") is authorized to establish redevelopment projects pursuant to Minnesota Statutes, Sections 469.001-469.047, as amended (the "Redevelopment Act"). The Agency established the Humboldt Avenue Greenway Redevelopment Project (the "Project") in accordance with the requirements of the Redevelopment Act. The Agency and the City of Minneapolis, Minnesota (the "City"), are authorized to establish tax increment financing districts pursuant to Minnesota Statutes, Section 469.174-469.179, as amended (the "Tax Increment Act"). Pursuant to Resolution No. 2000R-035 duly adopted by the City Council of the City on February 4, 2000, the City and the Agency established the Humboldt Greenway Tax Increment Financing District (the "District") and approved the Humboldt Greenway Tax Increment Finance Plan (the "TIF Plan"). By Resolution No. 2001R-250, duly adopted by the City Council of the City on June 22, 2001, Modification No. 1 to the TIF Plan was approved. The Agency and the City established the Project and the District to facilitate the development of new single-family homes and townhomes in an area of the City that has experienced declining values and physical deterioration. Pursuant to Resolution No. 2001R-167, duly adopted by the City Council of the City on May 4, 2001, the City Council granted preliminary approval for the issuance of up to \$5,500,000 in tax-exempt tax increment bonds to finance the public redevelopment costs with respect to the Project and the District. The proceeds of such bonds are to be applied to site acquisition, relocation, demolition, public improvements, administration, and related costs.

1.02. Redevelopment Contract. Humboldt Greenway Development, LLC, a Minnesota limited liability company (the "Developer"), was selected to undertake the construction of housing developments in the Project and the District. A Redevelopment Contract, dated as of February 13, 2001 (the "Redevelopment Contract"), was executed by the Agency and the Developer. The Redevelopment Contract provides for the development of fifty-eight units of single-family detached homes and the development of thirty-six townhome units (the "Minimum Improvements"). The Minimum Improvements will be constructed in five phases.

1.03. The Finance Plan. The public redevelopment costs for the development and redevelopment of the District consist of the costs for the acquisition of certain land located in the Project and the District, site clearance, site preparation, relocation costs, and related public improvements. Such land may or may not be conveyed to the Developer for construction of the Minimum Improvements. Such acquisition costs will be financed with the proceeds derived from the sale of general obligation tax increment bonds (the "Bonds") to be issued by the City in the original aggregate principal amount not to exceed \$4,600,000.

The proceeds derived from the sale of the Bonds will be applied to: (i) land acquisition costs; (ii) the costs for site clearance, site preparation, relocation costs, and related public improvements; (iii) the payment of a portion of the interest on the Bonds; and (iv) the payment of the costs of issuing the Bonds. Payment of the principal of, premium, if any, and interest on the Bonds will be secured by the full faith

and credit of the City and, to the extent necessary for this purpose, the City will levy taxes on all taxable property in the City without limitation as to rate or amount to pay the principal of, premium, if any, and interest on the Bonds when due. The Bonds are expected to be paid from net tax increment revenues derived from the District (the "Tax Increment Revenues").

1.04. Authority. The City is authorized to issue the Bonds to finance the public redevelopment costs of the District and the Project and to apply the Tax Increment Revenues and other revenues to the payment thereof under Minnesota Statutes, Section 469.178, as amended, and Minnesota Statutes, Chapter 475, as amended. Pursuant to the terms of Minnesota Statutes, Section 475.58, subdivision 1, as amended, no election is required because the City Council has determined, and hereby affirms, that not less than twenty percent of the public redevelopment costs for the development and redevelopment of the District is estimated to be received from the Tax Increment Revenues.

1.05. Definitions. Unless the context otherwise requires, the terms defined in Section 1.01-1.04 of this Resolution and in this Section 1.05 shall, for all purposes of this Resolution and any resolution supplemental hereto, have the meanings herein specified, such definitions to be equally applicable to both the singular and plural forms of any of the terms defined:

"Act" means Minnesota Statutes, Chapter 475, as amended.

"Code" means the Internal Revenue Code of 1986, as amended, and such term includes any Treasury Regulations promulgated thereunder.

"Holder", "Bondholder" or "owner" means the person in whose name a Bond is registered.

"Letter of Representations" means the Blanket Letter of Representations from the City to Depository Trust Company, New York, New York.

"Pledge Agreement" means the Pledge Agreement to be entered into between the Agency and the City with respect to the issuance of the Bonds.

"Resolution" means this resolution authorizing the issuance of the Bonds, as this resolution may be amended or supplemented from time to time.

SECTION 2. TERMS AND FORM OF BONDS.

2.01. Bond Terms. It is hereby determined to be necessary and expedient to issue the Bonds to finance the costs referred to in Section 1.03 of this Resolution. The Bonds shall be designated "General Obligation Tax Increment Bonds, Series 2001C." The Bonds shall be issued in one series or in more than one series as the Finance Officer may determine, and shall be assigned a separate series designation determined by the Finance Officer for each series issued by the City. The Bonds shall be dated the date of issue or shall be dated such other date as the Finance Officer may determine, shall be issued in denominations of \$5,000 or any integral multiple thereof, and each series shall be numbered from R-1 upwards in order of issuance, or with such other numbering and in such other order as the Bond Registrar may determine. The Bonds shall be issued in the original aggregate principal amount of \$4,600,000, or such lesser amount as the Finance Officer shall determine to be necessary and appropriate to finance the costs for which the Bonds are to be issued. The Bonds shall bear interest at the rates per annum approved by the Finance Officer and shall be payable semiannually on February 1 and August 1 of each year, or on such other dates determined by the Finance Officer, commencing on August 1, 2002, or such other date determined by the Finance Officer, from the date of the Bonds or the most recent interest payment date to which interest has been paid or duly provided for, computed on the basis of a 360-day year of twelve thirty-day months. The Bonds shall mature on such dates and in such principal amounts as shall be determined by the Finance Officer, consistent with the requirements of Section 475.54, subdivisions 1 and 17, of the Act (determined, if necessary, by combining such maturities with those of other general obligation bonds of the City). The Finance Officer may determine to designate any portion of the principal of the Bonds to be combined within one or more term Bonds subject to mandatory sinking fund redemptions in the years and amounts determined by the Finance Officer. In the event the Finance Officer is advised that the Bonds do not qualify as obligations the interest on which is not includable in gross income for federal income tax purposes, then the Finance Officer may determine to offer the Bonds as obligations the interest on which is includable in gross income for federal income tax purposes.

The Finance Officer shall establish the dates on and after which the Bonds shall be subject to redemption and prior payment, in whole or in part, at the option of the City. The redemption prices of the Bonds shall be such redemption prices, with or without premium, as the Finance Officer shall determine necessary to obtain the lowest interest rates for the Bonds consistent with the finance plan pursuant to which the Bonds are to be issued.

Thirty days prior to any redemption date, notice of any such redemption shall be given by mail to the registered owners in accordance with the terms of the Act and the terms of the Bonds. In the event of a partial redemption by lot of Bonds, the Bond Registrar shall assign to each Bond then outstanding a distinctive number for each \$5,000 of the principal amount of such Bonds and shall select by lot in the manner it determines the order of numbers, at \$5,000 for each number, for all outstanding Bonds of the maturity to be redeemed. The order of selection of Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected, but only so much of the principal amount of each Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. Upon partial redemption of any Bond, the same shall be surrendered in exchange for one or more new Bonds in authorized form for the unredeemed portion of principal.

2.02. Method of Payment; Bond Registrar and Paying Agent. The Bonds shall be payable as to principal upon presentation and surrender thereof at the office of the Finance Officer, in Minneapolis, Minnesota, as initial Bond Registrar and Paying Agent, or at the offices of such other successor agents as the City may hereafter designate upon sixty days' mailed notice to the registered owners at their respective registered addresses. At the written request of the registered owner thereof, or at the direction of the Finance Officer, the payment of at least \$100,000 in principal amount of Bonds shall be made by wire transfer of immediately available funds to any bank in the continental United States upon presentation and surrender of such Bonds at the office of the Paying Agent. Interest shall be paid by check or draft mailed to the registered owners of record as of the fifteenth day (whether or not a business day) of the month next preceding the applicable interest payment date at their addresses shown on the registration books or, at the written request of a registered owner of at least \$1,000,000 in aggregate principal amount of Bonds or at the direction of the Finance Officer, by wire transfer of immediately available funds to any bank in the continental United States as the registered owner may specify.

2.03. Bond Form. The Bonds shall be in substantially the following form, the text of which may be printed on the face or on the back or partially on the face or back, with the necessary variations as to name, series designation, number, CUSIP Number, denomination, rate of interest and date of maturity, the blanks therein to be properly filled in, and with such other additions, deletions, or other changes as the Finance Officer may determine, to-wit:
(The remainder of this page is intentionally left blank)

(Form of Bonds)

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF HENNEPIN

No. R-_____ \$_____

**CITY OF MINNEAPOLIS
GENERAL OBLIGATION TAX INCREMENT BOND
SERIES 2001C**

Interest Rate _____ Maturity _____ Date of Original Issue _____ CUSIP _____
February 1, _____, 2001

Registered Owner:

Principal Amount:

The City of Minneapolis (the "City"), in the County of Hennepin and State of Minnesota, for value received, hereby certifies that it is indebted and hereby promises to pay to the registered owner named above or registered assigns, the Principal Amount specified above on the Maturity Date specified above, upon the presentation and surrender hereof, and to pay to the Registered Owner hereof interest on such Principal Amount at the Interest Rate specified above from _____, 2001, or the most recent interest payment date to which interest has been paid or duly provided for as specified below, on February 1 and August 1 of each year, commencing August 1, 2002, until said Principal Amount is paid. Interest shall be computed on the basis of a 360-day year consisting of twelve thirty-day months. Principal and the redemption price is payable in lawful money of the United States of America at the office of the Finance Officer in Minneapolis, Minnesota, as Bond Registrar and Paying Agent, or at the office of such successor agents as the City may designate upon sixty days' notice to the respective Registered Owners at their registered addresses. At the written request of the Registered Owner thereof, payment of at least \$100,000 in principal amount of Bonds of this series shall be made by wire transfer of immediately available funds to any bank in the continental United States upon presentation and surrender thereof. Interest shall be paid on each interest payment date by check or draft mailed to the person in whose name this Bond is registered at the close of business on the fifteenth day of the month preceding each interest payment date (whether or not a business day) at the Registered Owner's address set forth on the registration books maintained by the Bond Registrar or, at the written request of a Registered Owner of at least \$1,000,000 in aggregate principal amount of the Bonds of this series, by wire transfer of immediately available funds to any bank in the continental United States. Any such interest not punctually paid or provided for will cease to be payable to the person in whose name this Bond is registered on such regular record dates and such defaulted interest may be paid to the person in whose name this Bond shall be registered at the close of business on a special record date for the payment of such defaulted interest established by the Bond Registrar.

This Bond is one of a series of Bonds all of like date and tenor except for number, interest rate, denomination, date of maturity, and redemption privilege, and is issued pursuant to and in accordance with Minnesota Statutes, Sections 469.174 to 469.179, as amended, and Minnesota Statutes, Chapter 475, as amended (the "Act"), for the purpose of providing funds to finance certain public redevelopment costs for the development and redevelopment of a portion of the Humboldt Greenway Tax Increment Financing District (the "District") located in the Humboldt Avenue Greenway Redevelopment Project (the "Project") in the City.

The Bonds of this series are expected to be paid primarily from collections of tax increment revenues from the District and certain other revenues which may be deposited in the Debt Service Account for the Bonds pursuant to the terms of the resolution authorizing the issuance of the Bonds (the "Bond Resolution"). Such use of tax increment revenues is subordinate to any prior obligations of the City to which such tax increment revenues have been pledged (and which pledge does not recognize or permit parity claims or uses of such tax increment revenues) and such deposit shall be made only to the extent such tax increment revenues are available therefor; but the full faith and credit of the City has been and is hereby pledged to the full and prompt payment of the principal of and interest on the Bonds, and the City Council is obligated to levy ad valorem taxes on all taxable property in the City without limitation as to rate or amount, if necessary, to pay principal and interest when due. The City may pledge or apply such tax increment revenues to existing or future obligations of the City on a parity or priority basis with the Bonds.

Reference is hereby made to the Act and to the Bond Resolution for a description of the tax increment revenues and the other revenues that are expected to pay the debt service on the Bonds of this series. Reference is hereby made to the Act and to the Bond Resolution for a description of the nature of the security thereby created, the rights and limitation of the rights of the City and bondholders with respect thereto, and covenants of the City as to the application of the proceeds of the Bonds of this series and the security for the Bonds and interest thereon.

All Bonds maturing on or after February 1, 20__, are subject to redemption at the option of the City, in whole or in part in such order as the City may determine, on February 1, 20__, and any date thereafter at a redemption price equal to par plus accrued interest to the redemption date [plus the redemption premium set forth in the following table].

[Redemption Premium Table, if applicable]

Thirty days' notice of prior redemption will be given by mail to registered owners in the manner provided by applicable provisions of the Act.

The Bonds maturing on February 1, 20___, are subject to mandatory sinking fund redemption on February 1 of the following years in the following principal amounts:

[Redemption Table, if applicable]

The specific Bonds subject to mandatory sinking fund redemption are to be randomly selected by the Registrar. All prepayments of the Bonds subject to mandatory sinking fund redemption shall be redeemed at a redemption price of par plus accrued interest to the redemption date. At the election of the City, Bonds redeemed pursuant to the exercise of any optional redemption may be applied as a credit against any mandatory sinking fund redemption.

This Bond is transferable, as provided in the Bond Resolution, only upon books of the City kept at the office of the Bond Registrar by the registered owner hereof in person or by the registered owner's duly authorized attorney, upon surrender of this Bond for transfer at the office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Bond Registrar duly executed by, the registered owner hereof or the registered owner's duly authorized attorney, and, upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer, one or more fully registered Bonds of the series of the same principal amount, maturity and interest rate will be issued to the designated transferee or transferees.

The Bonds of this series are issuable only as fully registered bonds without coupons in denominations of \$5,000 or any integral multiple thereof not exceeding the principal amount maturing in any one year. As provided in the Bond Resolution and subject to certain limitations therein set forth, the Bonds of this series are exchangeable for a like aggregate principal amount of Bonds of this series of different authorized denominations, as requested by the registered owner or the registered owner's duly authorized attorney, upon surrender thereof to the Bond Registrar.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in regular and due time, form and manner as required by law; and that this Bond, and the series of which it is a part, is within every applicable debt and other limit prescribed by the Constitution and laws of the State of Minnesota and the Charter of the City.

This Bond shall not be valid or become obligatory for any purpose until the Registration and Authentication Certificate hereon shall have been signed by the Bond Registrar.

In witness whereof, the City, acting by and through its City Council, has caused this Bond to be executed with the facsimile signature of its Mayor, countersigned by the facsimile signature of the Finance Officer, and attested with the facsimile signature of the City Clerk, and a facsimile of the corporate seal of said City to be imprinted hereon, all as of the Date of Original Issue specified above.

Dated: _____

CITY OF MINNEAPOLIS, MINNESOTA

(SEAL)

Attest:

By _____
Mayor

City Clerk

Countersigned:

By _____
Finance Officer

Bond Registrar's Registration and Authentication Certificate

This is one of the Bonds described in the within mentioned Bond Resolution and has been registered as to principal and interest in the name of the Registered Owner identified above on the registration books of the Finance Officer of the City of Minneapolis.

Finance Officer, as Bond Registrar

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please Print or Typewrite Name and Address of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Please Insert Social Security Number or Other Identifying Number of Assignee.

Notice: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

(Include information for all joint owners if this Bond is held by joint account.)

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM — as tenants in common

TEN ENT — as tenants by entireties

JT TEN — as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT —
_____ Custodian _____
(Cust) (Minor)
under Uniform Gifts or Transfers to Minors Act
_____ (State)

Additional abbreviations may also be used though not in the above list.

(The remainder of this page is intentionally left blank)

2.04. Registration. As long as any of the Bonds issued hereunder shall remain outstanding, the City shall maintain and keep at the office of the Bond Registrar a bond register in which the Bond Registrar provides for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged. Upon surrender for transfer of any Bond at the office of a Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the registered owner's duly authorized attorney, and upon payment of any tax, fee, or other governmental charge required to be paid with respect to such transfer, the City shall execute and the Bond Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more fully registered Bonds of the same series, of any authorized denominations, and of a like aggregate principal amount, interest rate, and maturity. At the option of the registered owner, upon surrender of a Bond at the office of the Bond Registrar such Bond may be exchanged for an equal aggregate principal amount of Bonds of the same maturity and interest rate of any authorized denominations. In all cases in which the privilege of exchanging Bonds or transferring fully registered Bonds is exercised, the City shall execute and the Bond Registrar shall deliver Bonds in accordance with the provisions of this Resolution. For every such exchange or transfer of Bonds, whether temporary or definitive, the City or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Resolution, the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the City or the Bond Registrar incurred in connection therewith (except any applicable tax, fee, or other governmental charge) shall be paid by the City. The City and the Bond Registrar shall not be required to make any transfer or exchange of any Bonds called for redemption, nor be obligated to make any such exchange or transfer of Bonds during the fifteen (15) days next preceding the date of the mailing of notice of redemption in the case of a proposed redemption of Bonds.

2.05. Record Dates. Interest on any Bond which is payable, and is punctually paid or duly provided for, on any interest payment date shall be paid to the person in whose name that Bond (or one or more Bonds for which such bond was exchanged) is registered at the close of business on the fifteenth day of the preceding month. Any interest on any Bond which is payable, but is not punctually paid or duly provided for, on any interest payment date shall forthwith cease to be payable to the registered holder on the relevant regular record date solely by virtue of such holder having been such holder; and such defaulted interest may be paid by the City in any lawful manner, if, after notice given by the City to the Bond Registrar of the proposed payment pursuant to this paragraph, such payment shall be deemed practicable by the Bond Registrar. Such payments shall then be made to the persons in whose names the Bonds are registered at the close of business on a special record date established by the Bond Registrar. Subject to the foregoing provisions of this paragraph, each Bond delivered under this Resolution upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond and each such Bond shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

2.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the City shall execute and the Bond Registrar shall authenticate and deliver a new Bond of like maturity and principal amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, upon filing with the City evidence satisfactory to the City and the Bond Registrar that such Bond has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the City and the Bond Registrar with indemnity satisfactory to them and complying with such other reasonable regulations as the City and the Bond Registrar may prescribe and paying such expenses as the City and the Bond Registrar may incur in connection therewith. All Bonds so surrendered to the Bond Registrar shall be cancelled by it and evidence of such cancellation shall be given to the City.

2.07. Owners. As to any Bond, the City and the Bond Registrar and their respective successors, each in its discretion, may deem and treat the person in whose name the same for the time being shall be registered as the absolute owner thereof for all purposes and neither the City nor the Bond Registrar nor their respective successors shall be affected by any notice to the contrary. Payment of or on account of the principal of any such Bond shall be made only to or upon the order of the registered owner thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

2.08. Use of Securities Depository; Book-Entry Only System. The provisions of this Section shall take precedence over the provisions of Sections 2.01 through 2.07 hereof to the extent they are inconsistent therewith.

(a) The Depository Trust Company ("DTC") has agreed to act as securities depository for the Bonds, and to provide a Book-Entry Only System for registering the ownership interests of the financial institutions for which it holds the Bonds (the "DTC Participants"), and for distributing to such DTC Participants such amount of the principal and interest payments on the Bonds as they are entitled to receive, for redistribution to the beneficial owners of the Bonds as reflected in their records (the "Beneficial Owners").

(b) Initially, and so long as DTC or another qualified entity continues to act as securities depository, the Bonds shall be issued in typewritten form, one for each maturity in a principal amount equal to the aggregate principal amount of each maturity, shall be registered in the name of the securities depository or its nominee, and shall be subject to the provisions of this Section. While DTC is acting as the securities depository, the Bonds shall be registered in the name of DTC's nominee, CEDE & CO; provided that upon delivery by DTC to the City and the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of CEDE & CO., the words "CEDE & CO." in this Resolution shall refer to such new nominee of DTC.

With respect to Bonds registered in the name of a securities depository or its nominee, the City and the Bond Registrar shall have no responsibility or obligation to any DTC Participant or other person with respect to the following: (i) the accuracy of the records of any securities depository or its nominee with respect to any ownership interest in the Bonds; (ii) the delivery to any DTC Participant or other person or any other person, other than DTC, of any notice with respect to the Bonds, including any notice of redemption; or (iii) the payment to any DTC Participant or any other person, other than DTC, of any amount with respect to the principal of or interest on the Bonds. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal and interest on the Bonds to the extent of the sum or sums so paid. So long as the Book-Entry Only System described in this Section is in effect, no person other than DTC shall receive an authenticated Bond.

(c) Upon receipt by the City and the Bond Registrar of written notice from the securities depository to the effect that it is unable or unwilling to discharge its responsibilities under the Book-Entry Only System, the Bond Registrar shall issue, transfer and exchange Bonds of the initial series as requested by the securities depository in appropriate amounts, and whenever the securities depository requests the City and the Bond Registrar to do so, the City and the Bond Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice: (i) to arrange for a substitute depository willing and able, upon reasonable and customary terms, to maintain custody of the Bonds; or (ii) to make available Bonds registered in whatever name or names the Beneficial Owner registering ownership, transferring or exchanging such Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(d) In the event the City determines that it is in the best interests of the Beneficial Owners that they be able to obtain printed Bonds, the City may so notify the securities depository and the Bond Registrar, whereupon the securities depository shall notify the Beneficial Owners of the availability through the securities depository of such printed Bonds. In such event, the City shall cause to be prepared and the Bond Registrar shall issue, transfer and exchange printed Bonds, fully executed and authenticated, as requested by the securities depository in appropriate amounts and, whenever the securities depository requests, the City and the Bond Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice to make available printed Bonds registered on the Bond Register in whatever name or names the Beneficial Owners entitled to receive Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(e) Notwithstanding any other provisions of this Resolution to the contrary, so long as any Bond is registered in the name of a securities depository or its nominee, all payments of principal and interest on the Bond and all notices with respect to the Bond shall be made and given, respectively, to the securities depository as provided in the representation letter given to it by the City. The Letter of Representation is confirmed and shall apply to the Bonds.

(f) In the event that the Book-Entry Only System established pursuant to this Section is discontinued, except as provided in clause (g), the Bonds shall be issued through the securities depository to the Beneficial Owners.

(g) In the event of termination of the Book-Entry Only System, the City shall have the right to terminate, and shall take all steps necessary to terminate, all arrangements with the securities depository described herein, and thereafter shall issue, register ownership of, transfer and exchange all Bonds as provided herein. Upon receipt by the securities depository of notice from the City, the securities depository shall take all actions necessary to assist the City and the Bond Registrar in terminating all arrangements for the issuance of documents evidencing ownership interests in the Bonds through the securities depository. Nothing herein shall affect the securities depository's rights under clause (e) above.

SECTION 3. EXECUTION AND DELIVERY OF BONDS AND OTHER DOCUMENTS.

3.01. Method of Sale. Authority to negotiate the sale and issuance of the Bonds is hereby delegated to the Finance Officer under Section 475.60, subdivision 1, of the Act; provided that each series of Bonds shall be sold only at a price of not less than ninety-eight percent of the principal amount of such series of Bonds, and the Bonds shall bear interest at the rates specified by the successful proposal. In connection with the sale of the Bonds, by one or more certificates or other written instruments or documents, the Finance Officer may make such additional covenants or directions as it may deem necessary and expedient, including but not limited to, approval of an Official Statement and of a Continuing Disclosure Certificate. Any unused discount, any premium, and any unused issuance costs shall be deposited in the Debt Service Account.

3.02. Bonds. The Bonds shall be executed by the respective facsimile signatures of the Mayor, Finance Officer and City Clerk and shall be sealed with a facsimile of the corporate seal of the City as set forth in the form of Bond. The text of the approving legal opinion of Kennedy & Graven, Chartered, of Minneapolis, Minnesota, as bond counsel, shall accompany each Bond. When said Bonds shall have been duly executed and authenticated by the Bond Registrar in accordance with this Resolution, the same shall be delivered to the purchasers in accordance with the terms of the sale upon payment of the purchase price, and the receipt of the Finance Officer to said purchasers thereof shall be a full acquittance; and said purchasers shall not be bound to see to the application of the purchase money. The Bonds shall not be valid for any purpose until authenticated by the Bond Registrar, which is hereby appointed authenticating agent in accordance with the Act.

3.03. Official Statement. The Finance Officer shall cause an Official Statement relating to the Bonds to be prepared, and the use thereof by the purchasers is approved.

3.04. Certificates. The Finance Officer is authorized and directed to furnish to the purchasers at the closing: (i) a certificate that, to the best of the knowledge of such officer, the Official Statement does not, at the date of closing, and did not, as of its date, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (ii) such other certificates as are required as a condition of sale, including a Continuing Disclosure Certificate setting forth the

continuing disclosure obligations of the City under applicable law, as approved by the Finance Officer. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing, the Finance Officer shall also execute and deliver to the purchasers a suitable certificate as to absence of material litigation, and the Finance Officer shall also execute and deliver a certificate as to payment for and delivery of the Bonds, together with a certificate meeting the requirements of the arbitrage regulations under Section 148 of the Code and the signed approving legal opinion of Kennedy & Graven, Chartered, as to the validity and enforceability of the Bonds and the exemption of interest thereon from federal and Minnesota income taxation (other than Minnesota corporate franchise and bank excise taxes measured by income) under present laws and rulings.

3.05. Pledge Agreement. The Pledge Agreement is hereby approved and shall be executed in substantially the form on file with the City, with such additions, deletions, and other changes as are approved by the Finance Officer. The Pledge Agreement is to be executed and delivered in order to satisfy the requirements of Minnesota Statutes, Section 469.178, subdivision 2, and Sections 475.58, subdivision 1, and 475.61, subdivision 1, of the Act. The Pledge Agreement creates rights in the City and the Agency but is not intended to create duties or obligations of the City or the Agency to any other persons (including the beneficial or registered owners of the Bonds) with respect to the Tax Increment Revenues or other revenues described or referenced in the Pledge Agreement, and is not intended to create rights in or claims by any other persons (including the beneficial or registered owners of the Bonds) with respect to the Tax Increment Revenues or other revenues described or referenced in the Pledge Agreement.

SECTION 4. APPLICATION OF PROCEEDS; REDEMPTION OF TEMPORARY BONDS.

4.01. Appropriation of Funds. The proceeds of the Bonds are hereby appropriated as follows: (i) any accrued interest shall be deposited in the Debt Service Account; (ii) an amount determined by the Finance Officer to pay interest on the Bonds shall be set aside and applied to such purpose; (iii) an amount sufficient to pay the public redevelopment costs proposed to be paid from the proceeds of the Bonds for the development and redevelopment of the District shall be set aside and applied to such purpose; and (iv) an amount sufficient to pay the costs of issuing the Bonds shall be set aside and applied to such purpose. Any remaining proceeds of the Bonds shall be applied to purposes of the City determined and designated by the Finance Officer.

SECTION 5. COVENANTS OF THE CITY.

5.01. Debt Service Account. There is hereby established a Debt Service Account with respect to the Bonds for payment of principal of, premium, if any, and interest on the Bonds. To the extent deemed appropriate and in the best interests of the City, the City will apply the Tax Increment Revenues and other revenues described in Section 1.03 of this Resolution to the payment of the principal of and interest on the Bonds. The Finance Officer shall deposit in the Debt Service Account, from amounts in the accounts which shall be or have heretofore been created for the deposit of Tax Increment Revenues and other revenues to be applied to payment of the Bonds, such Tax Increment Revenues and other revenues as are deemed appropriate and necessary to pay the principal of and interest on the Bonds when due; provided that such use of Tax Increment Revenues is subordinate to any prior obligations of the City to which the Tax Increment Revenues have been pledged (if such pledge does not recognize or permit parity claims or parity uses of such Tax Increment Revenues) and such deposit shall be made only to the extent such Tax Increment Revenues are available therefor. The City and the Agency may pledge or apply the Tax Increment Revenues to existing or future obligations of the City and the Agency on a parity or priority basis with the Bonds.

5.02. Pledge of Full Faith and Credit; Tax Levies. The full faith and credit of the City are irrevocably pledged for the prompt and full payment of the Bonds and the interest thereon, when due. It is hereby estimated that the Tax Increment Revenues and other revenues to be applied to the payment of the Bonds under Section 5.01 will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Bonds, but the City shall levy, in addition to all other taxes, a direct tax on all taxable property in the City, without limitation as to rate or amount, if necessary to pay such principal and interest when due. Without limiting the foregoing, the City shall levy taxes in each year to the extent estimated collections of Tax Increment Revenues and other revenues to be applied to the payment of the Bonds in the following year, together with available amounts

on deposit in the Debt Service Account and other dedicated funds, are insufficient to pay the principal of and interest on the Bonds in such subsequent year and at least five percent in excess thereof.

5.03. Tax Covenant. If the Bonds are issued as obligations the interest on which is not includable in gross income for federal income tax purposes, the City shall not take any action or authorize any action to be taken in connection with the application or investment of the proceeds of the Bonds or any related activity which would cause the Bonds to be deemed to be "private activity bonds", within the meaning of Section 141 of the Code, or "arbitrage bonds", within the meaning of Section 148 of the Code. Furthermore, the City shall take all such actions as may be required under the Code to ensure that interest on the Bonds is not and does not become includable in gross income for federal income tax purposes.

SECTION 6. MISCELLANEOUS.

6.01. Arbitrage. If the Bonds are issued as obligations the interest on which is not includable in gross income for federal income tax purposes, the City covenants and agrees with the purchasers and holders of the Bonds that the investments of the "gross proceeds" of the Bonds, including the investment of any revenues pledged to the Bonds which are considered "gross proceeds" under Section 148 of the Code, and accumulated sinking funds, if any, shall be limited as to amount and yield in such manner that the Bonds shall not be deemed to be "arbitrage bonds" within the meaning of Section 148 of the Code. On the basis of existing facts, estimates, and circumstances, including the foregoing findings and covenants, the City Council hereby certifies that it is not expected that the proceeds of the Bonds will be used in such manner as to cause the Bonds to be "arbitrage bonds" under Section 148 of the Code. If the Bonds are issued as obligations the interest on which is not includable in gross income for federal income tax purposes, the Finance Officer shall furnish an arbitrage certificate to the original purchasers embracing or based on the foregoing certification at the time of delivery of the Bonds, and the Finance Officer may make any election permitted under Section 148 of the Code, or under any other provision of the Code, on behalf of the City.

6.02. Registration. The City Clerk is hereby authorized and directed to certify a copy of this Resolution and to cause the same to be filed with the Hennepin County Director of Property Taxation, exercising the powers of the County Auditor under Section 475.63 of the Act, and to obtain this certificate as to registration of the Bonds.

6.03. Certification. The City Clerk, the Finance Officer and other officers and employees of the City are hereby authorized and directed to furnish to the attorneys approving the Bonds, on behalf of the purchasers of the Bonds, certified copies of all proceedings and certifications as to facts as shown by the books and records of the City, to show the proceedings taken in connection with the Bonds, and the right and authority of the City to issue the Bonds, and all such certified copies and certifications shall be deemed representations of fact on the part of the City.

6.04. Effective Date. This resolution shall take effect and be in force from and after its approval and publication.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

RESOLUTION 2001R-440

By Niland and Campbell

Amending The 2001 Minneapolis Community Development Agency Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by adjusting the revenue budget in Fund CHG0 - Humboldt Greenway by increasing the revenue code 3910-01 (Bond Proceeds) by \$4,600,000 and decreasing revenue code 3015-01 (Tax Increment) by \$4,600,000.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Comm Dev & W&M/Budget - Your Committee, having under consideration the redevelopment contracts for the West Side Milling Project as set forth in Petn No 267339, now recommends -

a) Passage and summary publication of the accompanying resolution authorizing the sale and issuance by the City of up to \$15,500,000 in taxable general obligation tax increment bonds and \$1,200,000 in tax-exempt general obligation tax increment bonds and authorizing a tax increment pledge agreement between the City and the Minneapolis Community Development Agency (MCDA) to support such bonds;

b) Passage of the accompanying resolution increasing the MCDA appropriation in Fund CWM0 (West Side Milling) by \$15,500,000; increasing the CWM0 revenue budget (3910-01 Bond Proceeds) by \$15,500,000; establishing an appropriation in Fund AWM0 (West Side Milling Tax-exempt) of \$1,200,000; and establishing a revenue budget (3910-01 Bond Proceeds) of \$1,200,000; and

c) That this action be referred to the Board of Commissioners of the MCDA.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Resolution 2001R-441, authorizing the sale and issuance of the Taxable General Obligation Tax Increment Bonds, Series 2001A, and the General Obligation Tax Increment Bonds, Series 2001B, of the City of Minneapolis for the West Side Milling Project and providing the form, terms, pledge of tax increment revenues and findings, covenants, and directions relating to such obligations was passed October 12, 2001 by the City Council and approved October 18, 2001 by the Mayor. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2001R-441
By Niland and Campbell

Authorizing the sale and issuance of the Taxable General Obligation Tax Increment Bonds, Series 2001A, and the General Obligation Tax Increment Bonds, Series 2001B, of the City of Minneapolis and providing the form, terms, pledge of tax increment revenues and findings, covenants, and directions relating to such obligations.

Resolved by The City Council of The City of Minneapolis:

SECTION 1. AUTHORIZATION, FINDINGS AND DEFINITIONS.

1.01. The Development District. The Minneapolis Community Development Agency (the "Agency") is authorized to establish redevelopment projects pursuant to Minnesota Statutes, Sections 469.001-469.047, as amended (the "Redevelopment Act"). The Agency established the Industry Square Redevelopment Project (the "Project") in accordance with the requirements of the Redevelopment Act. The Agency and the City of Minneapolis, Minnesota (the "City"), are authorized to establish tax increment financing districts pursuant to Minnesota Statutes, Section 469.174-469.179, as amended (the "Tax Increment Act"). Pursuant to Resolution No. 98R-026 duly adopted by the City Council of the City on February 6, 1998, and pursuant to Resolution No. 98-1760M, duly adopted by the Board of Commissioners of the Agency, on February 6, 1998, the Agency established the West Side Milling District TIF District No. 86 and Hazardous Substance Subdistrict (the "District"). By Resolution No. 2001R-025, duly adopted by the City Council of the City on February 2, 2001, and by Resolution No. 01-2370M, duly adopted by the Board of Commissioners of the Agency on February 2, 2001, the City

and Agency approved modifications to the boundaries and budget with respect to the District in order to finance certain redevelopment costs of the Project. The Agency and the City have determined that the objectives of the Project and District will be furthered by the development of the following: (i) a riverfront museum; (ii) 60,000 square feet of commercial office space; (iii) thirty-six residential ownership units; and (iv) related infrastructure improvements in the Project and the District.

1.02. Redevelopment Contract. In order to provide for the development of the District and the Project: (i) the Agency and the Minnesota Historical Society, a chartered public institution under the laws of the State of Minnesota ("MHS"), entered into a Redevelopment Contract, dated as of July 23, 2001 (the "Redevelopment Contract"); and (ii) the Agency and Brighton Development Corporation, a Minnesota corporation (the "Corporation"), entered into a Redevelopment Contract, dated as of July 23, 2001 (the "Humboldt Contract"). The Redevelopment Contract provided for the development of a Museum Element on the Museum Parcel and an Office Element on the Office Parcel (as all such terms are defined in the Redevelopment Contract). MHS assigned its Office Development Rights (as defined in the Redevelopment Contract) to Stone Arch Office Limited Partnership, a Minnesota limited partnership ("Stone Arch"), pursuant to the terms of an Assignment and Assumption of Redevelopment Contract (Office Development Rights), dated as of July 23, 2001 (the "Assignment"), between MHS and Stone Arch. The Humboldt Contract provided for the development of thirty-six residential ownership units in the former Humboldt Mill and adjacent property (the "Humboldt Condominiums").

1.03. The Finance Plan. The redevelopment of the District will be comprised of the following four elements: (i) the Museum Element (also known as the Mill City Museum); (ii) the Office Element; (iii) the Humboldt Condominiums; and (iv) the construction of Park Avenue South from Washington Avenue South to Second Street South. The public redevelopment costs for the development and redevelopment of the District consist of the costs for historic preservation of the existing buildings in which the Museum Element, the Office Element, and the Humboldt Condominiums are to be located, the costs for the extension of Park Avenue South to Second Street South, and certain other related costs. The costs for the historic preservation of the existing buildings in which the Museum Element, the Office Element, and the Humboldt Condominiums are to be located will be financed with the proceeds derived from the sale of taxable general obligation tax increment bonds (the "Series 2001A Bonds") to be issued by the City in the original aggregate principal amount not to exceed \$15,500,000. The costs for the extension of Park Avenue South to Second Street South will be financed with the proceeds derived from the sale of tax-exempt general obligation tax increment bonds (the "Series 2001B Bonds") to be issued by the City in the original aggregate principal amount not to exceed \$1,200,000.

The proceeds derived from the sale of the Series 2001A Bonds will be applied to: (i) the historic preservation costs of the Office Element; (ii) the historic preservation costs of the Museum Element; (iii) the historic preservation costs of the Humboldt Condominiums; (iv) the redemption and prepayment of bonds previously issued by the City to finance the public redevelopment costs of the District (the "Refunded Bonds"); (v) the payment of a portion of the interest on the Series 2001A Bonds; (vi) the payment of other public redevelopment costs for the development and redevelopment of the District; and (vii) the payment of the costs of issuing the Series 2001A Bonds.

The proceeds derived from the sale of the Series 2001B Bonds will be applied to: (i) the costs of constructing an extension of Park Avenue South from Washington Avenue South to Second Street South; (ii) the payment of a portion of the interest on the Series 2001B Bonds; and (iii) the payment of the costs of issuing the Series 2001B Bonds.

Payment of the principal of, premium, if any, and interest on the Series 2001A Bonds and the Series 2001B Bonds (collectively, the "Bonds") will be secured by the full faith and credit of the City and, to the extent necessary for this purpose, the City will levy taxes on all taxable property in the City without limitation as to rate or amount to pay the principal of, premium, if any, and interest on the Bonds when due. The Series 2001A Bonds are expected to be paid from net tax increment revenues derived from the District (the "Tax Increment Revenues") and may also be paid from payments to be made by Stone Arch or the Corporation, the general partner of Stone Arch. The payment of the principal of, premium, if any, and interest on the Series 2001A Bonds may also be paid, in the discretion of the City and the Agency, from revenues derived by the Agency from a tax increment shortfall guaranty of the Corporation and revenues derived from the recapture provisions of the Redevelopment Contract. The Series 2001B Bonds are expected to be paid from the Tax Increment Revenues and may also be paid, in the discretion

of the City and the Agency, from revenues derived by the Agency from a tax increment shortfall guaranty of the Corporation and revenues derived from the recapture provisions of the Redevelopment Contract.

1.04. Authority. The City is authorized to issue the Bonds to finance the public redevelopment costs of the District and the Project and to apply the Tax Increment Revenues and other revenues to the payment thereof under Minnesota Statutes, Section 469.178, as amended, and Minnesota Statutes, Chapter 475, as amended. Pursuant to the terms of Minnesota Statutes, Section 475.58, subdivision 1, as amended, no election is required because the City Council has determined, and hereby affirms, that not less than twenty percent of the public redevelopment costs for the development and redevelopment of the District is estimated to be received from the Tax Increment Revenues.

1.05. Definitions. Unless the context otherwise requires, the terms defined in Section 1.01-1.04 of this Resolution and in this Section 1.05 shall, for all purposes of this Resolution and any resolution supplemental hereto, have the meanings herein specified, such definitions to be equally applicable to both the singular and plural forms of any of the terms defined:

“Act” means Minnesota Statutes, Chapter 475, as amended.

“Code” means the Internal Revenue Code of 1986, as amended, and such term also includes any Treasury Regulations promulgated thereunder.

“Holder”, “Bondholder” or “owner” means the person in whose name a Bond is registered.

“Letter of Representations” means the Blanket Letter of Representations from the City to Depository Trust Company, New York, New York.

“Pledge Agreement” means the Pledge Agreement to be entered into between the Agency and the City with respect to the issuance of the Bonds.

“Resolution” means this resolution authorizing the issuance of the Bonds, as this resolution may be amended or supplemented from time to time.

SECTION 2. TERMS AND FORM OF BONDS.

2.01. Series 2001 Bond Terms. It is hereby determined to be necessary and expedient to issue the Bonds to finance the costs referred to in Section 1.03 of this Resolution. The Series 2001A Bonds shall be designated “Taxable General Obligation Tax Increment Bonds, Series 2001A,” and the Series 2001B Bonds shall be designated “General Obligation Tax Increment Bonds, Series 2001B.” The Bonds shall be issued in two series or in more than two series as the Finance Officer may determine, and shall be assigned a separate series designation determined by the Finance Officer for each series issued by the City. The Bonds shall be dated the date of issue or shall be dated such other date as the Finance Officer may determine, shall be issued in denominations of \$5,000 or any integral multiple thereof, and each series shall be numbered from R-1 upwards in order of issuance, or with such other numbering and in such other order as the Bond Registrar may determine. The Series 2001A Bonds shall be issued in the original aggregate principal amount of \$15,500,000, or such lesser amount as the Finance Officer shall determine to be necessary and appropriate to finance the costs for which the Series 2001A Bonds are to be issued. The Series 2001B Bonds shall be issued in the original aggregate principal amount of \$1,200,000, or such lesser amount as the Finance Officer shall determine to be necessary and appropriate to finance the costs for which the Series 2001B Bonds are to be issued. The Bonds shall bear interest at the rates per annum approved by the Finance Officer and shall be payable semiannually on February 1 and August 1 of each year, or on such other dates determined by the Finance Officer, commencing on August 1, 2002, or such other date determined by the Finance Officer, from the date of the Bonds or the most recent interest payment date to which interest has been paid or duly provided for, computed on the basis of a 360-day year of twelve thirty-day months. The Bonds shall mature on such dates and in such principal amounts as shall be determined by the Finance Officer, consistent with the requirements of Section 475.54, subdivisions 1 and 17, of the Act (determined, if necessary, by combining such maturities with those of other general obligation bonds of the City). The Finance Officer may determine to designate any portion of the principal of the Bonds to be combined within one or more term Bonds subject to mandatory sinking fund redemptions in the years and amounts determined by the Finance Officer.

The Finance Officer shall establish the dates on and after which the Bonds of each series shall be subject to redemption and prior payment, in whole or in part, at the option of the City. The redemption prices of the Bonds shall be such redemption prices, with or without premium, as the Finance Officer shall determine necessary to obtain the lowest interest rates for each series of Bonds consistent with the amended finance plan pursuant to which each series of Bonds is to be issued.

Thirty days prior to any redemption date, notice of any such redemption shall be given by mail to the registered owners in accordance with the terms of the Act and the terms of each series of Bonds. In the event of a partial redemption by lot of Bonds, the Bond Registrar shall assign to each Bond then outstanding a distinctive number for each \$5,000 of the principal amount of such Bonds and shall select by lot in the manner it determines the order of numbers, at \$5,000 for each number, for all outstanding Bonds of the series and maturity to be redeemed. The order of selection of Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected, but only so much of the principal amount of each Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. Upon partial redemption of any Bond, the same shall be surrendered in exchange for one or more new Bonds in authorized form for the unredeemed portion of principal.

2.02. Method of Payment; Bond Registrar and Paying Agent. The Bonds shall be payable as to principal upon presentation and surrender thereof at the office of the Finance Officer, in Minneapolis, Minnesota, as initial Bond Registrar and Paying Agent, or at the offices of such other successor paying agents as the City may hereafter designate upon sixty days' mailed notice to the registered owners at their respective registered addresses. At the written request of the registered owner thereof, or at the direction of the Finance Officer, the payment of at least \$100,000 in principal amount of Bonds shall be made by wire transfer of immediately available funds to any bank in the continental United States upon presentation and surrender of such Bonds at the office of the Paying Agent. Interest shall be paid by check or draft mailed to the registered owners of record as of the fifteenth day (whether or not a business day) of the month next preceding the applicable interest payment date at their addresses shown on the registration books or, at the written request of a registered owner of at least \$1,000,000 in aggregate principal amount of Bonds or at the direction of the Finance Officer, by wire transfer of immediately available funds to any bank in the continental United States as the registered owner may specify.

2.03. Bond Form. The Bonds shall be in substantially the following form, the text of which may be printed on the face or on the back or partially on the face or back, with the necessary variations as to name, series designation, number, CUSIP Number, denomination, rate of interest and date of maturity, the blanks therein to be properly filled in, and with such other additions, deletions, or other changes as the Finance Officer may determine (provisions in brackets are to be utilized in either the Series 2001A Bonds or in the Series 2001B Bonds, as appropriate):

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(Form of Bonds)

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF HENNEPIN

No. R-_____ \$_____

CITY OF MINNEAPOLIS
[TAXABLE GENERAL OBLIGATION TAX INCREMENT BOND
SERIES 2001A]
[GENERAL OBLIGATION TAX INCREMENT BOND
SERIES 2001B]

Interest Rate _____ Maturity Date _____ Date of Original Issue _____ CUSIP _____
February 1, _____,
20____ 2001

Registered Owner: _____

Principal Amount: _____ DOLLARS

The City of Minneapolis (the "City"), in the County of Hennepin and State of Minnesota, for value received, hereby certifies that it is indebted and hereby promises to pay to the registered owner named above or registered assigns, the Principal Amount specified above on the Maturity Date specified above, upon the presentation and surrender hereof, and to pay to the Registered Owner hereof interest on such Principal Amount at the Interest Rate specified above from _____, 2001, or the most recent interest payment date to which interest has been paid or duly provided for as specified below, on February 1 and August 1 of each year, commencing August 1, 2002, until said Principal Amount is paid. Interest shall be computed on the basis of a 360-day year consisting of twelve thirty-day months. Principal and the redemption price is payable in lawful money of the United States of America at the office of the Finance Officer in Minneapolis, Minnesota, as Bond Registrar and Paying Agent, or at the office of such successor agents as the City may designate upon sixty days' notice to the respective Registered Owners at their registered addresses. At the written request of the Registered Owner thereof, payment of at least \$100,000 in principal amount of Bonds of this series shall be made by wire transfer of immediately available funds to any bank in the continental United States upon presentation and surrender thereof. Interest shall be paid on each interest payment date by check or draft mailed to the person in whose name this Bond is registered at the close of business on the fifteenth day of the month preceding each interest payment date (whether or not a business day) at the Registered Owner's address set forth on the registration books maintained by the Bond Registrar or, at the written request of a Registered Owner of at least \$1,000,000 in aggregate principal amount of the Bonds of this series, by wire transfer of immediately available funds to any bank in the continental United States. Any such interest not punctually paid or provided for will cease to be payable to the person in whose name this Bond is registered on such regular record dates and such defaulted interest may be paid to the person in whose name this Bond shall be registered at the close of business on a special record date for the payment of such defaulted interest established by the Bond Registrar.

This Bond is one of a series of Bonds all of like date and tenor except for number, interest rate, denomination, date of maturity, and redemption privilege, and is issued pursuant to and in accordance with Minnesota Statutes, Sections 469.174 to 469.179, as amended, and Minnesota Statutes, Chapter 475, as amended (the "Act"), for the purpose of providing part of the funds to finance the public redevelopment costs for the development and redevelopment of a portion of the West Side Milling TIF District (the "District") located in the Industry Square Project in the City [and for the purpose of refunding certain outstanding general obligation bonds of the City].

The Bonds of this series are expected to be paid primarily from collections of tax increment revenues from the District and certain other revenues which may be deposited in the Debt Service Account for the Bonds pursuant to the terms of the resolution authorizing the issuance of the Bonds (the "Bond Resolution"). Such use of tax increment revenues is subordinate to any prior obligations of the City to which such tax increment revenues have been pledged (and which pledge does not recognize or permit parity claims or uses of such tax increment revenues) and such deposit shall be made only to the extent such tax increment revenues are available therefor; but the full faith and credit of the City has been and is hereby pledged to the full and prompt payment of the principal of and interest on the Bonds, and the City Council is obligated to levy ad valorem taxes on all taxable property in the City without limitation as to rate or amount, if necessary, to pay principal and interest when due. The City may pledge or apply such tax increment revenues to existing or future obligations of the City on a parity or priority basis with the Bonds.

Reference is hereby made to the Act and to the Bond Resolution for a description of the tax increment revenues and the other revenues that are expected to pay the debt service on the Bonds of this series. Reference is hereby made to the Act and to the Bond Resolution for a description of the nature of the security thereby created, the rights and limitation of the rights of the City and bondholders with respect thereto, and covenants of the City as to the application of the proceeds of the Bonds of this series and the security for the Bonds and interest thereon.

All Bonds maturing on or after February 1, 20__, are subject to redemption at the option of the City, in whole or in part in such order as the City may determine, on February 1, 20__, and any date thereafter at a redemption price equal to par plus accrued interest to the redemption date [plus the redemption premium set forth in the following table].

[Redemption Premium Table, if applicable]

Thirty days' notice of prior redemption will be given by mail to registered owners in the manner provided by applicable provisions of the Act.

The Bonds maturing on February 1, 20__, are subject to mandatory sinking fund redemption on February 1 of the following years in the following principal amounts:

[Redemption Table, if applicable]

The specific Bonds subject to mandatory sinking fund redemption are to be randomly selected by the Registrar. All prepayments of the Bonds subject to mandatory sinking fund redemption shall be redeemed at a redemption price of par plus accrued interest to the redemption date. At the election of the City, Bonds redeemed pursuant to the exercise of any optional redemption may be applied as a credit against any mandatory sinking fund redemption.

This Bond is transferable, as provided in the Bond Resolution, only upon books of the City kept at the office of the Bond Registrar by the registered owner hereof in person or by the registered owner's duly authorized attorney, upon surrender of this Bond for transfer at the office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Bond Registrar duly executed by, the registered owner hereof or the registered owner's duly authorized attorney, and, upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer, one or more fully registered Bonds of the series of the same principal amount, maturity and interest rate will be issued to the designated transferee or transferees.

The Bonds of this series are issuable only as fully registered bonds without coupons in denominations of \$5,000 or any integral multiple thereof not exceeding the principal amount maturing in any one year. As provided in the Bond Resolution and subject to certain limitations therein set forth, the Bonds of this series are exchangeable for a like aggregate principal amount of Bonds of this series of different authorized denominations, as requested by the registered owner or the registered owner's duly authorized attorney, upon surrender thereof to the Bond Registrar.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in regular and due time, form and manner as required by law; and that this Bond, and the series of which it is a part, is within every applicable debt and other limit prescribed by the Constitution and laws of the State of Minnesota and the Charter of the City.

This Bond shall not be valid or become obligatory for any purpose until the Registration and Authentication Certificate hereon shall have been signed by the Bond Registrar.

In witness whereof, the City, acting by and through its City Council, has caused this Bond to be executed with the facsimile signature of its Mayor, countersigned by the facsimile signature of the Finance Officer, and attested with the facsimile signature of the City Clerk, and a facsimile of the corporate seal of said City to be imprinted hereon, all as of the Date of Original Issue specified above.

Dated: _____

CITY OF MINNEAPOLIS, MINNESOTA

(SEAL)

Attest:

By _____
Mayor

City Clerk

Countersigned:

By _____
Finance Officer

Bond Registrar's Registration and Authentication Certificate

This is one of the Bonds described in the within mentioned Bond Resolution and has been registered as to principal and interest in the name of the Registered Owner identified above on the registration books of the Finance Officer of the City of Minneapolis.

Finance Officer, as Bond Registrar

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please Print or Typewrite Name and Address of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Please Insert Social Security Number or Other Identifying Number of Assignee.

Notice: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

(Include information for all joint owners if this Bond is held by joint account.)

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM — as tenants in common TEN ENT — as tenants by entireties

JT TEN — as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT —
_____ Custodian _____
(Cust) (Minor)
under Uniform Gifts or Transfers to Minors Act
_____ (State)

Additional abbreviations may also be used though not in the above list.

(The remainder of this page is intentionally left blank)

2.04. Registration. As long as any of the Bonds issued hereunder shall remain outstanding, the City shall maintain and keep at the office of the Bond Registrar a bond register in which the Bond Registrar provides for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged. Upon surrender for transfer of any Bond at the office of a Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the registered owner's duly authorized attorney, and upon payment of any tax, fee, or other governmental charge required to be paid with respect to such transfer, the City shall execute and the Bond Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more fully registered Bonds of the same series, of any authorized denominations, and of a like aggregate principal amount, interest rate, and maturity. At the option of the registered owner, upon surrender of a Bond at the office of the Bond Registrar such Bond may be exchanged for an equal aggregate principal amount of Bonds of the same maturity and interest rate of any authorized denominations. In all cases in which the privilege of exchanging Bonds or transferring fully registered Bonds is exercised, the City shall execute and the Bond Registrar shall deliver Bonds in accordance with the provisions of this Resolution. For every such exchange or transfer of Bonds, whether temporary or definitive, the City or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Resolution, the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the City or the Bond Registrar incurred in connection therewith (except any applicable tax, fee, or other governmental charge) shall be paid by the City. The City and the Bond Registrar shall not be required to make any transfer or exchange of any Bonds called for redemption, nor be obligated to make any such exchange or transfer of Bonds during the fifteen (15) days next preceding the date of the mailing of notice of redemption in the case of a proposed redemption of Bonds.

2.05. Record Dates. Interest on any Bond which is payable, and is punctually paid or duly provided for, on any interest payment date shall be paid to the person in whose name that Bond (or one or more Bonds for which such bond was exchanged) is registered at the close of business on the fifteenth day of the preceding month. Any interest on any Bond which is payable, but is not punctually paid or duly provided for, on any interest payment date shall forthwith cease to be payable to the registered holder on the relevant regular record date solely by virtue of such holder having been such holder; and such defaulted interest may be paid by the City in any lawful manner, if, after notice given by the City to the Bond Registrar of the proposed payment pursuant to this paragraph, such payment shall be deemed practicable by the Bond Registrar. Such payments shall then be made to the persons in whose names the Bonds are registered at the close of business on a special record date established by the Bond Registrar. Subject to the foregoing provisions of this paragraph, each Bond delivered under this Resolution upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond and each such Bond shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange, or substitution.

2.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the City shall execute and the Bond Registrar shall authenticate and deliver a new Bond of like maturity and principal amount as the Bond so mutilated, destroyed, stolen, or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen, or lost, upon filing with the City evidence satisfactory to the City and the Bond Registrar that such Bond has been destroyed, stolen, or lost and proof of ownership thereof, and upon furnishing the City and the Bond Registrar with indemnity satisfactory to them and complying with such other reasonable regulations as the City and the Bond Registrar may prescribe and paying such expenses as the City and the Bond Registrar may incur in connection therewith. All Bonds so surrendered to the Bond Registrar shall be cancelled by it and evidence of such cancellation shall be given to the City.

2.07. Owners. As to any Bond, the City and the Bond Registrar and their respective successors, each in its discretion, may deem and treat the person in whose name the same for the time being shall be registered as the absolute owner thereof for all purposes and neither the City nor the Bond Registrar nor their respective successors shall be affected by any notice to the contrary. Payment of or on account of the principal of any such Bond shall be made only to or upon the order of the registered owner thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

2.08. Use of Securities Depository; Book-Entry Only System. The provisions of this Section shall take precedence over the provisions of Sections 2.01 through 2.07 hereof to the extent they are inconsistent therewith.

(a) The Depository Trust Company ("DTC") has agreed to act as securities depository for the Bonds, and to provide a Book-Entry Only System for registering the ownership interests of the financial institutions for which it holds the Bonds (the "DTC Participants"), and for distributing to such DTC Participants such amount of the principal and interest payments on the Bonds as they are entitled to receive, for redistribution to the beneficial owners of the Bonds as reflected in their records (the "Beneficial Owners").

(b) Initially, and so long as DTC or another qualified entity continues to act as securities depository, the Bonds shall be issued in typewritten form, one for each maturity in a principal amount equal to the aggregate principal amount of each maturity, shall be registered in the name of the securities depository or its nominee, and shall be subject to the provisions of this Section. While DTC is acting as the securities depository, the Bonds shall be registered in the name of DTC's nominee, CEDE & CO; provided that upon delivery by DTC to the City and the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of CEDE & CO., the words "CEDE & CO." in this Resolution shall refer to such new nominee of DTC.

With respect to Bonds registered in the name of a securities depository or its nominee, the City and the Bond Registrar shall have no responsibility or obligation to any DTC Participant or other person with respect to the following: (i) the accuracy of the records of any securities depository or its nominee with respect to any ownership interest in the Bonds; (ii) the delivery to any DTC Participant or other person or any other person, other than DTC, of any notice with respect to the Bonds, including any notice of redemption; or (iii) the payment to any DTC Participant or any other person, other than DTC, of any amount with respect to the principal of or interest on the Bonds. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal and interest on the Bonds to the extent of the sum or sums so paid. So long as the Book-Entry Only System described in this Section is in effect, no person other than DTC shall receive an authenticated Bond.

(c) Upon receipt by the City and the Bond Registrar of written notice from the securities depository to the effect that it is unable or unwilling to discharge its responsibilities under the Book-Entry Only System, the Bond Registrar shall issue, transfer, and exchange Bonds of the initial series as requested by the securities depository in appropriate amounts, and whenever the securities depository requests the City and the Bond Registrar to do so, the City and the Bond Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice: (i) to arrange for a substitute depository willing and able, upon reasonable and customary terms, to maintain custody of the Bonds; or (ii) to make available Bonds registered in whatever name or names the Beneficial Owner registering ownership, transferring or exchanging such Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(d) In the event the City determines that it is in the best interests of the Beneficial Owners that they be able to obtain printed Bonds, the City may so notify the securities depository and the Bond Registrar, whereupon the securities depository shall notify the Beneficial Owners of the availability through the securities depository of such printed Bonds. In such event, the City shall cause to be prepared and the Bond Registrar shall issue, transfer and exchange printed Bonds, fully executed and authenticated, as requested by the securities depository in appropriate amounts and, whenever the securities depository requests, the City and the Bond Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice to make available printed Bonds registered on the Bond Register in whatever name or names the Beneficial Owners entitled to receive Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(e) Notwithstanding any other provisions of this Resolution to the contrary, so long as any Bond is registered in the name of a securities depository or its nominee, all payments of principal and interest on the Bond and all notices with respect to the Bond shall be made and given, respectively, to the securities depository as provided in the representation letter given to it by the City. The Letter of Representation is confirmed and shall apply to the Bonds.

(f) In the event that the Book-Entry Only System established pursuant to this Section is discontinued, except as provided in clause (g), the Bonds shall be issued through the securities depository to the Beneficial Owners.

(g) In the event of termination of the Book-Entry Only System, the City shall have the right to terminate, and shall take all steps necessary to terminate, all arrangements with the securities depository described herein, and thereafter shall issue, register ownership of, transfer and exchange all Bonds as provided herein. Upon receipt by the securities depository of notice from the City, the securities depository shall take all actions necessary to assist the City and the Bond Registrar in terminating all arrangements for the issuance of documents evidencing ownership interests in the Bonds through the securities depository. Nothing herein shall affect the securities depository's rights under clause (e) above.

SECTION 3. EXECUTION AND DELIVERY OF BONDS AND OTHER DOCUMENTS.

3.01. Method of Sale. Authority to negotiate the sale and issuance of the Bonds is hereby delegated to the Finance Officer under Section 475.60, subdivision 1, of the Act; provided that each series of Bonds shall be sold only at a price of not less than ninety-eight percent of the principal amount of such series of Bonds, and the Bonds shall bear interest at the rates specified by the successful proposal. In connection with the sale of the Bonds, by one or more certificates or other written instruments or documents, the Finance Officer may make such additional covenants or directions as it may deem necessary and expedient, including but not limited to, approval of an Official Statement and of a Continuing Disclosure Certificate. Any unused discount, any premium, and any unused issuance costs shall be deposited in the Debt Service Account.

3.02. Bonds. The Bonds shall be executed by the respective facsimile signatures of the Mayor, Finance Officer and City Clerk and shall be sealed with a facsimile of the corporate seal of the City as set forth in the form of Bond. The text of the approving legal opinion of Kennedy & Graven, Chartered, of Minneapolis, Minnesota, as bond counsel, shall accompany each Bond. When said Bonds shall have been duly executed and authenticated by the Bond Registrar in accordance with this Resolution, the same shall be delivered to the purchasers in accordance with the terms of the sale upon payment of the purchase price, and the receipt of the Finance Officer to said purchasers thereof shall be a full acquittance; and said purchasers shall not be bound to see to the application of the purchase money. The Bonds shall not be valid for any purpose until authenticated by the Bond Registrar, which is hereby appointed authenticating agent in accordance with the Act.

3.03. Official Statement. The Finance Officer shall cause an Official Statement relating to the Bonds to be prepared, and the use thereof by the purchasers is approved.

3.04. Certificates. The Finance Officer is authorized and directed to furnish to the purchasers at the closing: (i) a certificate that, to the best of the knowledge of such officer, the Official Statement does not, at the date of closing, and did not, as of its date, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (ii) such other certificates as are required as a condition of sale, including a Continuing Disclosure Certificate setting forth the

continuing disclosure obligations of the City under applicable law, as approved by the Finance Officer. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing, the Finance Officer shall also execute and deliver to the purchasers a suitable certificate as to absence of material litigation, and the Finance Officer shall also execute and deliver a certificate as to payment for and delivery of the Bonds and, with respect to the Series 2001B Bonds, a certificate meeting the requirements of the arbitrage regulations under Section 148 of the Code. The Finance Officer shall also deliver to the purchasers of the Bonds a signed approving legal opinion of Kennedy & Graven, Chartered, as to the validity and enforceability of the Bonds and, with respect to the Series 2001B Bonds, the exemption of interest thereon from federal and Minnesota income taxation (other than Minnesota corporate franchise and bank excise taxes measured by income) under present laws and rulings.

3.05. Pledge Agreement. The Pledge Agreement is hereby approved and shall be executed in substantially the form on file with the City, with such additions, deletions, and other changes as are approved by the Finance Officer. The Pledge Agreement is to be executed and delivered in order to satisfy the requirements of Minnesota Statutes, Section 469.178, subdivision 2, and Sections 475.58, subdivision 1, and 475.61, subdivision 1, of the Act. The Pledge Agreement creates rights in the City and the Agency but is not intended to create duties or obligations of the City or the Agency to any other persons (including the beneficial or registered owners of the Bonds) with respect to the Tax Increment Revenues or other revenues described or referenced in the Pledge Agreement, and is not intended to create rights in or claims by any other persons (including the beneficial or registered owners of the Bonds) with respect to the Tax Increment Revenues or other revenues described or referenced in the Pledge Agreement.

SECTION 4. APPLICATION OF PROCEEDS; REDEMPTION OF REFUNDED BONDS.

4.01. Appropriation of Funds. The proceeds of the Series 2001A Bonds are hereby appropriated as follows: (i) any accrued interest shall be deposited in the Debt Service Account; (ii) an amount determined by the Finance Officer to pay interest on the Bonds shall be set aside and applied to such purpose; (iii) an amount sufficient to pay the public redevelopment costs proposed to be paid from the proceeds of the Series 2001A Bonds for the development and redevelopment of the District shall be set aside and applied to such purpose; (iv) an amount sufficient to pay the costs of issuing the Bonds shall be set aside and applied to such purpose; and (v) an amount sufficient to provide for the redemption and prepayment of the Refunded Bonds shall be set aside and applied to such purpose. Any remaining proceeds of the Series 2001A Bonds shall be applied to purposes of the City determined and designated by the Finance Officer.

The proceeds of the Series 2001B Bonds are hereby appropriated as follows: (i) any accrued interest shall be deposited in the Debt Service Account; (ii) an amount determined by the Finance Officer to pay interest on the Bonds shall be set aside and applied to such purpose; (iii) an amount sufficient to pay the public redevelopment costs proposed to be paid from the proceeds of the Series 2001B Bonds for the development and redevelopment of the District shall be set aside and applied to such purpose; and (iv) an amount sufficient to pay the costs of issuing the Bonds shall be set aside and applied to such purpose. Any remaining proceeds of the Series 2001B Bonds shall be applied to purposes of the City determined and designated by the Finance Officer.

4.02. Redemption of Refunded Bonds. Upon the issuance of the Series 2001A Bonds, the Finance Officer shall take such actions as are necessary to redeem and prepay, within ninety days or as soon thereafter as is practical and feasible, the Refunded Bonds to be redeemed and paid or prepaid with the proceeds of the Bonds.

SECTION 5. COVENANTS OF THE CITY.

5.01. Debt Service Account. There is hereby established a Debt Service Account with respect to the Series 2001A Bonds for payment of principal of, premium, if any, and interest on the Series 2001A Bonds. There is hereby established a Debt Service Account with respect to the Series 2001B Bonds for payment of principal of, premium, if any, and interest on the Series 2001B Bonds. To the extent deemed appropriate and in the best interests of the City, the City will apply the Tax Increment Revenues and other revenues described in Section 1.03 of this Resolution to the payment of the principal of and interest on the Bonds. The Finance Officer shall deposit in each Debt Service Account, from amounts in the accounts which shall be or have heretofore been created for the deposit of Tax Increment Revenues

and other revenues to be applied to payment of the Bonds, such Tax Increment Revenues and other revenues as are deemed appropriate and necessary to pay the principal of and interest on the Bonds when due; provided that such use of Tax Increment Revenues is subordinate to any prior obligations of the City to which the Tax Increment Revenues have been pledged (if such pledge does not recognize or permit parity claims or parity uses of such Tax Increment Revenues) and such deposit shall be made only to the extent such Tax Increment Revenues are available therefor. The City and the Agency may pledge or apply the Tax Increment Revenues to existing or future obligations of the City and the Agency on a parity or priority basis with the Bonds. The Finance Officer shall also deposit in the Debt Service Account with respect to the Series 2001A Bonds and the Debt Service Account with respect to the Series 2001B Bonds any payments derived by the Agency or the City from a tax increment shortfall guaranty of the Corporation and any revenues derived by the Agency or the City from the recapture provisions of the Redevelopment Contract that the City elects to apply to the debt service on such Bonds.

5.02. Pledge of Full Faith and Credit; Tax Levies. The full faith and credit of the City are irrevocably pledged for the prompt and full payment of the Bonds and the interest thereon, when due. It is hereby estimated that the Tax Increment Revenues and other revenues to be applied to the payment of the Bonds under Section 5.01 will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Bonds, but the City shall levy, in addition to all other taxes, a direct tax on all taxable property in the City, without limitation as to rate or amount, if necessary to pay such principal and interest when due. Without limiting the foregoing, the City shall levy taxes in each year to the extent estimated collections of Tax Increment Revenues and other revenues to be applied to the payment of the Bonds in the following year, together with available amounts on deposit in the Debt Service Account and other dedicated funds, are insufficient to pay the principal of and interest on the Bonds in such subsequent year and at least five percent in excess thereof.

5.03. Tax Covenant. The City shall not take any action or authorize any action to be taken in connection with the application or investment of the proceeds of the Series 2001B Bonds or any related activity which would cause the Series 2001B Bonds to be deemed to be "private activity bonds", within the meaning of Section 141 of the Code, or "arbitrage bonds", within the meaning of Section 148 of the Code. The City shall take all such action as may be required under the Code to ensure that interest on the Series 2001B Bonds is not and does not become includable in gross income for federal income tax purposes.

SECTION 6. MISCELLANEOUS.

6.01. Registration. The City Clerk is hereby authorized and directed to certify a copy of this Resolution and to cause the same to be filed with the Taxpayer Services Division Manager of Hennepin County, exercising the powers of the County Auditor under Section 475.63 of the Act, and to obtain a certificate as to the registration of the Bonds.

6.02. Certification. The City Clerk, the Finance Officer, and other officers and employees of the City are hereby authorized and directed to furnish to the attorneys approving the Bonds, on behalf of the purchasers of the Bonds, certified copies of all proceedings and certifications as to facts as shown by the books and records of the City, to show the proceedings taken in connection with the Bonds, and the right and authority of the City to issue the Bonds, and all such certified copies and certifications shall be deemed representations of fact on the part of the City.

6.03. Arbitrage. The City covenants and agrees with the purchasers and holders of the Series 2001B Bonds that the investments of the "gross proceeds" of the Series 2001B Bonds, including the investment of any revenues pledged to the Series 2001B Bonds which are considered "gross proceeds" under Section 148 of the Code, and accumulated sinking funds, if any, shall be limited as to amount and yield in such manner that the Series 2001B Bonds shall not be deemed to be "arbitrage bonds" within the meaning of Section 148 of the Code. On the basis of existing facts, estimates, and circumstances, including the foregoing findings and covenants, the City Council hereby certifies that it is not expected that the proceeds of the Series 2001B Bonds will be used in such manner as to cause the Series 2001B Bonds to be "arbitrage bonds" under Section 148 of the Code. The Finance Officer shall furnish an arbitrage certificate to the original purchasers of the Series 2001B Bonds embracing or based on the foregoing certification at the time of delivery of the Series 2001B Bonds, and the Finance Officer may make any election permitted under Section 148 of the Code, or under any other provision of the Code, on behalf of the City.

6.04. Effective Date. This resolution shall take effect and be in force from and after its approval and publication.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

RESOLUTION 2001R-442

By Niland and Campbell

Amending The 2001 Minneapolis Community Development Agency Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended as follows:

a) Increasing the appropriation in Fund CWM0 - West Side Milling by \$15,500,000 and increasing the revenue estimate (3910-01 Bond Proceeds) by \$15,500,00; and

b) Establishing an appropriation in Fund AWM0 - West Side Milling Tax-exempt of \$1,200,000 and establishing a 2001 revenue budget (3910-01 Bond Proceeds) of \$1,200,000.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

The **HEALTH & HUMAN SERVICES** Committee submitted the following reports:

H&HS – Your Committee, having under consideration the Skyway Senior Center located on the skyway level of the new Target Store at LaSalle Av and S 10th Street that serves seniors who live, gather together and recreate in downtown Minneapolis, now recommends that the proper City Officers be authorized to extend the License Agreement with Ryan Companies US Inc for the Center through September 30, 2006.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

H&HS – Your Committee, having under consideration the Phillips Neighborhood Weed & Seed Project, now recommends that the proper City Officers be authorized to execute Amendment #2 to Contract #16070 with the American Indian Business Development Corporation to increase the amount by \$15,000, for a new total contract amount of \$34,000, and to extend the termination date to December 31, 2001, for the continued implementation of the Franklin Avenue Community Safety Center.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

H&HS – Your Committee, having under consideration the receipt of State Welfare-to-Work eligible funds targeted to long-term Minnesota Family Investment Program (MFIP) recipients, now recommends that the proper City Officers be authorized to execute a contract with the Hennepin County Children Family and Adult Services Department, in the amount of \$556,501, to provide assessments for chemical health and/or mental health evaluations, case management services, and professional assessment

services needed to document hardship extensions for eligible recipients nearing their 60th month on MFIP. Said contract shall be effective for the period July 1, 2001 through June 30, 2002, payable from Health & Family Support (060-860-8600).

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

H&HS – Your Committee recommends that the proper City Officers be authorized to execute a contract with the Minnesota State Colleges and Universities, in the amount of \$36,000, to provide instruction for up to 30 students at Minneapolis Community and Technical College to become Medical Office Support Specialists in clinics operated by Fairview/University Hospitals. Said contract shall be for the period September 10 through December 31, 2001, payable from Health & Family Support (060-860-8600).

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

H&HS – Your Committee, having under consideration the Partners in Progress Grant, now recommends that the proper City Officers be authorized to execute Amendment #1 to Grant Agreement #016156 with Hennepin County to extend the performance period through June 30, 2002.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

The **HEALTH & HUMAN SERVICES** and **WAYS & MEANS/BUDGET** Committees submitted the following reports:

H&HS & W&M/Budget – Your Committee, having under consideration the Skyway Senior Center, now recommends the following:

- a. that the proper City Officers be authorized to accept \$50,000 from the Target Corporation to support operation of the Center;
- b. passage of the accompanying Resolution appropriating \$50,000 to the Health & Family Support Agency to reflect receipt of said funds;
- c. that the proper City Officers be authorized to seek and accept financial support from the business community and grantor organizations on behalf of the Skyway Senior Center; and
- d. that the request to add a 1.0 Full-Time Equivalent (FTE), grant-funded Coordinator position be referred to the 2002 budget process.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

RESOLUTION 2001R-443
By Lane and Campbell

Amending The 2001 General Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled Resolution, as amended, be further amended by increasing the appropriation for the Health & Family Support Agency in the Grants - Other Fund (060-860-8605) by \$50,000 and increasing the Revenue Source (060-860-8605 – Source 3720) by \$50,000.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

H&HS & W&M/Budget – Your Committee, having under consideration the Back to School Project at the New Family Center, now recommends that the proper City Officers be authorized to receive \$850 from U-Care to purchase backpacks and limited school supplies for school-aged children seen through the New Family Center.

Your Committee further recommends passage of the accompanying Resolution appropriating \$850 to the Health & Family Support Agency to reflect receipt of said funds.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

**RESOLUTION 2001R-444
By Lane and Campbell**

Amending The 2001 General Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled Resolution, as amended, be further amended by increasing the appropriation for the Health & Family Support Agency in the Grants - Other Fund (060-860-8621) by \$850 and increasing the Revenue Source (060-860-8621 – Source 3720) by \$850.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

H&HS & W&M/Budget – Your Committee, having under consideration the Phillips Neighborhood Weed & Seed Project, now recommends passage of the accompanying Resolution transferring \$1,000 from the Police Department Agency to the Health & Family Support Agency to provide additional support to the Franklin Safety Center through a contract with the American Indian Business Development Corporation.

Adopted. Yeas, 10; Nays none.

Declining to Vote - Colvin Roy.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

**RESOLUTION 2001R-445
By Lane and Campbell**

Amending The 2001 General Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled Resolution, as amended, be further amended as follows:

- a. decreasing the appropriation for the Police Department Agency in the Grants – Federal Fund (030-400-P400) by \$1,000; and
- b. increasing the appropriation for the Health & Family Support Agency in the Grants – Federal Fund (030-860-8606) by \$1,000.

Adopted. Yeas, 10; Nays none.

Declining to Vote - Colvin Roy.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

H&HS & W&M/Budget – Your Committee recommends that the proper City Officers be authorized to submit a grant application to the State of Minnesota Department of Health seeking \$25,000 in funds to be awarded for the provision of temporary lead-safe housing and the associated relocation and other costs for families displaced by lead hazard reduction in their primary place of residence.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

The **INTERGOVERNMENTAL RELATIONS** Committee submitted the following report:

IGR - Your Committee, to whom was referred by the City Council on September 28, 2001 a proposed ordinance amending Chapter 14, Sections 3, 7 and 8 of the Minneapolis City Charter relating to Board of Health, modernizing language relating to delegation of authority and penalties, as set forth in Petn No 267345, now recommends that said proposed ordinance be referred to the Minneapolis Charter Commission for consideration.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

The **PUBLIC SAFETY & REGULATORY SERVICES** Committee submitted the following reports:

PS&RS - Your Committee, to whom was referred an ordinance amending Title 9, Chapter 174 relating to *Fire and Police Protection: Minneapolis Fire Department; Fire Prevention Bureau* by adding a new Article II entitled *Establishment of Fire Lanes on Private and Public Property* to ensure that Fire Department personnel have proper access to all property in the City of Minneapolis for emergency and fire equipment, now recommends that said ordinance be given its second reading for amendment and passage.

Your Committee further recommends summary publication of the above-described ordinance.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Ordinance 2001-Or-118 amending Title 9, Chapter 174 of the Minneapolis Code of Ordinances relating to *Fire and Police Protection: Minneapolis Fire Department. Fire Prevention Bureau*, adding a new Article II entitled *Establishment of Fire Lanes on Private and Public Property* to include new Sections 174.150 through 174.210, to ensure that all Minneapolis Fire crews have safe and effective access to any structure in the City that they are required to respond to, is summarized as follows:

Section 174.150 defines and designates City staff responsible for enforcing the terms of the proposed ordinance.

Section 174.160 grants the authority to establish fire lanes on any property in the City of Minneapolis, public or private, and sets forth the purpose of establishing fire lanes throughout the City.

Section 174.170 grants the authority to periodically review and change designated fire lanes to the Fire Marshal.

Section 174.180 prohibits the obstruction of any designated fire lane in the City of Minneapolis and provides for the proper enforcement of the prohibition.

Section 174.190 provides the possibility of criminal sanctions for the obstruction of a designated fire lane.

Section 174.200 describes the proper marking of fire lanes in the City of Minneapolis.

Section 174.210 provides that members of the public may apply to the Fire Marshal for the designation of fire lanes in the City of Minneapolis.

Said ordinance was passed October 12, 2001 by the City Council and approved October 18, 2001 by the Mayor. A complete copy of this ordinance is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized ordinance.

ORDINANCE 2001-Or-118

By Biernat

Intro & 1st Reading: 9/14/2001

Ref to: PS&RS

2nd Reading: 10/12/2001

Amending Title 9, Chapter 174 of the Minneapolis Code of Ordinances relating to Fire and Police Protection: Minneapolis Fire Department; Fire Prevention Bureau, by adding a new Article II entitled "Establishment of Fire Lanes on Private and Public Property".

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That Chapter 174 the Minneapolis Code of Ordinances be amended by adding thereto a new Article II, including new Sections 174.150 through 174.210, to read as follows:

ARTICLE II. ESTABLISHMENT OF FIRE LANES ON PRIVATE AND PUBLIC PROPERTY

174.150. Definitions. *Fire marshal* is defined as the fire marshal of the City of Minneapolis, or any of the fire marshal's designees, from either the sworn or civilian service, charged with the administration or enforcement of the Uniform Fire Code for the City of Minneapolis. The fire marshal's designees may include any sworn member of the Minneapolis Fire Department, regardless of rank or assignment.

174.160. Establishment of fire lanes. The fire marshal is authorized to establish fire lanes on private or public property including, but not limited to, private lanes, private ponds, shopping centers, churches, and any other building or property as required by the fire marshal, for the purpose of allowing proper ingress and egress to all property in the City of Minneapolis for fire department equipment and personnel in case of fire or other emergency.

174.170. Periodic review. Designation of fire lanes shall be made in writing and shall be reviewed by the fire marshal as needs and conditions change. The fire marshal shall have the authority to change any fire lane designation upon the proper basis.

174.180. Obstruction of fire lane. Parking of motor vehicles in, or otherwise obstructing any fire lane in the City of Minneapolis, shall be prohibited at all times. Enforcement of this ordinance is the responsibility of the Minneapolis Police Department. All fire lanes designated pursuant to this section on public or private property are subject to enforcement.

174.190. Violations. Any person violating this section is guilty of a misdemeanor and shall be subject to criminal prosecution. Each day that such a violation continues shall be construed for purpose of this section as a separate offense.

174.200. Marking of fire lanes. All fire lanes in the City of Minneapolis shall be in accordance with the fire code of the city, and as approved by the fire marshal.

174.210. Application for fire lanes. Written application for fire lane designation may be made to the fire marshal, and must specify the exact location of the requested fire lane designation, including the number of signs requested.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

PS&RS - Your Committee, to whom was referred an ordinance amending Title 14, Chapter 360 of the Minneapolis Code of Ordinances relating to *Liquor and Beer: In General* by repealing Section 360.75 entitled *Special Late Hours Entertainment License*, now recommends that said ordinance be given its second reading for amendment and passage.

Your Committee further recommends summary publication of the above-described ordinance.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Ordinance 2001-Or-119 amending Title 14, Chapter 360 of the Minneapolis Code of Ordinances relating to *Liquor and Beer: In General*, repealing Section 360.75 entitled *Special Late Hours Entertainment License* which authorized operation until 3:00 am by eligible licensed liquor establishments, was passed October 12, 2001 by the City Council and approved October 18, 2001 by the Mayor. A complete copy of this ordinance is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized ordinance.

ORDINANCE 2001-Or-119

By Biernat

Intro & 1st Reading: 9/14/2001

Ref to: PS&RS

2nd Reading: 10/12/2001

Amending Title 14, Chapter 360 of the Minneapolis Code of Ordinances relating to Liquor and Beer: In General.

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That Section 360.75 of the above-entitled ordinance be and is hereby repealed:

~~**360.75. Special late hours entertainment license.** (a) Any person operating under an on-sale liquor, wine or beer license within the areas described in subparagraph 360.75(c)(2) may apply to the city council for a special license authorizing the establishment to remain open until 3:00 a.m. for the operation of live entertainment. Application shall be made on a form provided by the division of licenses and consumer services, containing such information as the division deems necessary to verify that the conditions of this section have been met and to make a recommendation regarding the application. The annual fee for a special late hours entertainment license shall be one hundred ten dollars (\$110.00).~~

~~(b) No special late hours entertainment license shall be issued unless the establishment maintains a suitable menu available during special late hours including at least four (4) entrees or sandwiches and a choice of non-alcoholic beverages.~~

~~(c) The following conditions shall apply to all special late hours entertainment license holders:~~

- ~~(1) The license authorizes entertainment only until 3:00 a.m. daily.~~
- ~~(2) Licenses may be issued only to establishments in the B-4 zoning district or to establishments in the M-1, M-2, M-3, RC, B-3C, as described in section 360.75(c)(6), and TC zoning districts where the main entrance of the establishment is also more than three hundred (300) feet from a residentially zoned district.~~
- ~~(3) Licenses may be issued only to the holders of Class A through D alcoholic beverage licenses. The license authorizes only those forms of entertainment permissible under the class of alcoholic beverage license held by the establishment.~~
- ~~(4) The license holder shall insure that customers and employees comply with section 364.85, by clearing all tables, counters, and other customer areas of unfinished alcoholic beverage containers at or before 1:15 a.m.~~
- ~~(5) After 1:15 a.m. all alcoholic beverage bottles, cans, and other dispensers shall be stored in a secure cabinet, locker, or other storage area.~~
- ~~(6) Class A on-sale liquor licensees who are located in a B-3C zoning district within the East Bank Commercial District as defined in section 360.10 of this chapter and whose main entrance is located more than three hundred (300) feet from a residentially zoned area are subject to the following conditions:~~
- ~~a. The licensee may offer only three (3) late night entertainment events per calendar year.~~
 - ~~b. The event must be held in conjunction with a fundraiser for a non-profit, charitable or political organization as defined in section 362.35 of this Code.~~
 - ~~c. The applicant shall make application to the department of licenses and consumer services for approval of each such event.~~
- ~~(7) An on-sale liquor licensee who has been granted such license under the provisions of Minnesota Statutes, Section 340A.404, Subd. 2 and who owns a facility for off-street parking in excess of one hundred (100) vehicles within three hundred (300) feet of the primary entrance to the licensed premises may be issued a license notwithstanding other limitations contained in this chapter.~~
- ~~(d) The city council may issue a special late hours entertainment license subject to the additional conditions including, but not limited to:~~
- ~~(1) Limitation on the special late hours of operation or the days of the week on which special late hours are authorized;~~
 - ~~(2) Requirements concerning menu items;~~
 - ~~(3) Requirements concerning staffing or security levels; and~~
 - ~~(4) Any other requirement reasonably related to concerns of security, noise, litter, parking or traffic.~~
- ~~(e) The city council may deny, revoke, suspend or refuse to renew a special late hours entertainment license for any of the following reasons:~~
- ~~(1) The existence of special late hours disturbs the peace, quiet or repose of surrounding residential or commercial areas;~~
 - ~~(2) The existence of special late hours contributes to crime, disorderly behavior, noise, traffic, litter or parking problems in the area near the establishment;~~
 - ~~(3) Any violation of the laws relating to sale or service of alcoholic beverages;~~
 - ~~(4) Any violation of the terms of this section; and~~
 - ~~(5) Any other good cause related to the operation of the establishment.~~
- Adopted. Yeas, 11; Nays none.
- Absent - Niland.
- Passed October 12, 2001. J. Cherryhomes, President of Council.
- Approved October 18, 2001. S. Sayles Belton, Mayor.
- Attest: M. Keefe, City Clerk.

PS&RS - Your Committee, having under consideration the application of Ismail Mohamed Mohamed, dba Daylight Used Auto Parts, 3207 Cedar Av S, for a Motor Vehicle Used Parts Dealer License, now recommends that said license be granted, subject to the following operating conditions:

a. no vehicles can be repaired on any portion of the business property. Signs shall be posted notifying customers that they cannot perform any parts removal, replacement or repair on the business premises or parking areas. These signs shall be installed before the start of any business operations.

b. no inoperable vehicles can be stored on the business premises or parking areas. An inoperable vehicle is defined as a vehicle without current license tabs or missing essential parts.

c. vehicle parts cannot be stored outside of the store at any time.

d. vehicles may not be dismantled on the parking area or the inside of the store.

e. all refuse, including auto parts and tires, shall be stored inside the building or a completely enclosed trash receptacle.

f. no vehicles can be bought or sold on the business premises or parking areas.

g. vehicle parts cannot be purchased from any business or individual at 3207 Cedar Av.

h. graffiti shall be removed from the building within ten days of occurrence.

i. litter shall be picked up within 100 feet of the business.

j. final inspection and compliance with all provisions of applicable codes and ordinances.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

PS&RS - Your Committee, having under consideration the application of Hassan Shariff Osman, dba Tawakal Auto & Electric Service, 3601 Minnehaha Av for a Motor Vehicle Repair Garage License (new proprietor) to expire September 1, 2002, now recommends that a provisional license be granted, subject to the following operating conditions:

a. the licensee agrees to abide by the Zoning regulations that require all repair work to be performed inside the garage. No hoods can stand open on the parking areas of the garage.

b. the licensee agrees to have the boulevard grass cut on a weekly basis in the spring, summer and fall.

c. the licensee agrees to maintain the landscaping boxes, including the removal of weeds and dead plantings.

d. the licensee agrees to remove all graffiti from the building within one week of occurrence.

e. the licensee agrees to remove all litter within 100 feet of the business property.

f. vehicles shall not be parked on sidewalks and city right of ways (boulevards).

g. customer or employee vehicles shall not be parked or stored on city streets.

h. the site plan review process must be completed through the Zoning Office before a permanent license can be obtained.

i. final inspection and compliance with all provisions of applicable codes and ordinances.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

PS&RS - Your Committee, having under consideration the application of Hard Times Cafe Inc, dba Hard Times Cafe, 1821 Riverside Av, for a Restaurant License, now recommends that said license be granted, subject to the Hard Times Cafe executing all documents necessary to dismiss the lawsuit in the matter of *Hard Times Cafe v. City of Minneapolis*, Court of Appeals File No C4-00-1060, District Court File No. AP 01-009242, and subject to final inspection and compliance with all provisions of applicable codes and ordinances.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

PS&RS - Your Committee recommends granting the following applications for liquor, wine and beer licenses:

Off-Sale Liquor, to expire July 1, 2002

City Spirits Inc, dba City Spirits, 1244 Hennepin Av;

Off-Sale Liquor, to expire October 1, 2002

Dinkytown Wine & Spirits Inc, dba Dinkytown Wine & Spirits, 1412 5th St SE;

Ken & Norm's Liquors Inc, dba Ken & Norm's Liquors, 4801 Chicago Av;

On-Sale Liquor Class B with Sunday Sales, to expire July 1, 2002

Margarita Bella Inc, dba Margarita Bella, 1032 3rd Av NE;

On-Sale Liquor Class C-1 with Sunday Sales, to expire July 1, 2002

Little Wagon Co Inc, dba Little Wagon, 418 S 4th St;

On-Sale Liquor Class C-1 with Sunday Sales, to expire October 1, 2002

Mirviss Israel, dba Sunny's, 2944 Chicago Av;

On-Sale Liquor Class C-2 with Sunday Sales, to expire October 1, 2002

Historic Theatre Group Ltd, dba Historic State Theatre, 805 Hennepin Av;

Two Mac Inc, dba Mackenzie, 918 Hennepin Av;

Brasserie Zinc LLC, dba Brasserie Zinc, 1010 Nicollet Mall;

On-Sale Liquor Class E with Sunday Sales, to expire January 1, 2002

Haanpaa Restaurants Inc, dba The King and I, 1346 LaSalle Av;

On-Sale Liquor Class E with Sunday Sales, to expire July 1, 2002

Bob McNamara 44 Inc, dba Mac's Sports Bar/Grill, 301 Central Av SE;

On-Sale Liquor Class E with Sunday Sales, to expire October 1, 2002

Zou Zou Inc, dba Cafe Un Deux Trois, 114 S 9th St, Foshay Tower;

Restaurant Entertainment Group Inc, dba Refuge Bar & Grill, 430 1st Av N (change in ownership from B & B);

Vegas Inc, dba Vegas Lounge, 965 Central Av NE, 1st floor;

Fanagle Enterprises Inc, dba Eli's Bar & Grill, 1225 Hennepin Av; Lai Wong Inc, dba Red Dragon, 2116 Lyndale Av S;

Streamline Bar Inc, dba Jimmy's Steak & Spirits, 3675 Minnehaha Av;

Waldo's Inc, dba Waldo's, 4601 Lyndale/Mississippi Dr N;

On-Sale Liquor Class E, to expire October 1, 2002

Stand Up Frank's Inc, dba Stand Up Franks, 2027 N 2nd St, 1st floor;

Temporary On-Sale Liquor

American Diabetes Association, dba American Diabetes Association, 275 Market St (September 28, 2001, 6:00 p.m. to 9:00 p.m. at International Market Square, 275 Market St; Licensed Facilitator: Atrium Catering);

Minnesota Vikings Childrens Fund, dba Minnesota Vikings Childrens Fund, 9520 Viking Dr, Eden Prairie (Vikings Pre-game Tailgate Event, September 30, 2001, 10:00 a.m. to Noon at 800 Washington Av S; Licensed Facilitator: Hennepin & Lake BBQ & Blues Inc);

On-Sale Wine Class E with Strong Beer, to expire April 1, 2002

Lucky Dragon Riverside Restaurant Inc, dba Lucky Dragon Restaurant, 1827 Riverside Av;

Temporary Wine

Minnesota Vikings Childrens Fund, dba Minnesota Vikings Childrens Fund, 9520 Viking Dr, Eden Prairie (Vikings Pre-game Tailgate Party, October 14, 2001, 10:00 a.m. to Noon at 800 Washington Av S; Licensed Facilitator: Hennepin & Lake BBQ & Blues Inc);

Off-Sale Beer, to expire April 1, 2002

Mousa Ahmed L & Sami El-Sharif, dba Fatina Foods, 3246 Nicollet Av (new proprietor - from Sami El-Sharif, Sole Proprietor - added partner);

On-Sale Beer Class E, to expire April 1, 2002

Kinhdo Plus Corporation, dba Kinhdo Restaurant, 2755 Hennepin Av;

Temporary On-Sale Beer

Minnesota Vikings Childrens Fund, dba Minnesota Vikings Childrens Fund, 9520 Viking Dr, Eden Prairie (Vikings Pre-game Tailgate Party Event, 800 Washington Av S, October 21, 2001 Noon to 3:00 p.m., November 19, 2001 5:00 p.m. to 8:00 p.m., November 25, 2001 4:00 p.m. to 7:00 p.m., December 23, 2001, Noon to 3:00 p.m., and January 5, 2002 Noon to 3:00 p.m.);

St. Mary's Greek Orthodox Church, 3450 Irving Av S (Church Festival September 14, 15 & 16, 2001).

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

PS&RS - Your Committee recommends granting the following applications for business licenses (including provisional licenses) as per list on file and of record in the Office of the City Clerk under date of October 12, 2001, subject to final inspection and compliance with all provisions of the applicable codes and ordinances (Petn No 267348):

Place of Amusement Class B-2; Building Contractor Class B; Dancing School; Food Manufacturer; Restaurant; Short Term Food Permit; Vending Machine; Fuel Dealer; Heating, Air Conditioning & Ventilating Class B; Lodging House; Motor Vehicle Dealer - Used Only; Motor Vehicle Dealer - Additional Lot; Motor Vehicle Immobilization Service; Motor Vehicle Repair Garage; Motor Vehicle Repair Garage with Accessory Use; Towing Class A; Towing Class B; Towing Class D; Motor Vehicle Used Parts Dealer; Commercial Parking Lot Class A; Commercial Parking Lot Class B; Plasterer; Secondhand Goods Class A; Secondhand Goods Class B; Antique Dealer Class B; Exhibition Operator Class C; Solid Waste Hauler; Tattooist/Body Piercer; Taxicab Vehicle; Theater Zone I.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

PS&RS - Your Committee recommends granting the following applications for gambling licenses, subject to final inspection and compliance with all provisions of the applicable codes and ordinances:

Gambling-Lawful Class B

Multiple Sclerosis Society Minnesota Chapter, dba Multiple Sclerosis Society Minnesota Chapter, 200 12th Av S (Site: Cloggy's Tavern, 5404 34th Av S);

Roosevelt Booster Club, dba Roosevelt Booster Club, 4029 28th Av S (Site: Tooties on Lowry, 2706 Lowry Av N);

Roosevelt Booster Club, dba Roosevelt Booster Club, 4029 28th Av S (Site: U Otter Stop Inn, 617 Central Av NE);

Roosevelt Booster Club, dba Roosevelt Booster Club, 4029 28th Av S (Site: Cedar Inn, 4155 Cedar Av S);

Roosevelt Booster Club, dba Roosevelt Booster Club, 4029 28th Av S (Site: Union Bar & Grill, 312 Central Av);

Roosevelt Booster Club, dba Roosevelt Booster Club, 4029 28th Av S (Site: Sunrise Inn, 4653 34th Av S);

Roosevelt Booster Club, dba Roosevelt Booster Club, 4029 28th Av S (Site: Schooner Tavern, 2901 27th Av S);

Gambling Lawful Exempt

Minneapolis Society of Fine Arts, dba Minneapolis Society of Fine Arts, 2400 3rd Av S (Raffle October 21, 2001);

St. Olaf Catholic Church, dba St. Olaf Catholic Church, 215 S 8th St (Raffle October 28, 2001);

Create Chicano Latina Arts Center, dba Create Chicano Latina Arts Center, 4137 Bloomington Av S (Raffle November 3, 2001);

Church of St. Boniface, dba Church of St. Boniface, 629 2nd St NE (Raffle, Paddlewheel & Pulltabs November 20, 2001);

St. Hedwig Catholic Church, dba St. Hedwig Catholic Church (Raffle December 2, 2001);

Minneapolis Police Benevolent Association, dba Minneapolis Police Benevolent Association, 1811 University Av NE (Raffle November 15, 2001 at Little Jacks Steakhouse, 201 Lowry Av NE).

Adopted. Yeas, 11; Nays none.

Absent - Niland.
Passed October 12, 2001.
Approved October 18, 2001. S. Sayles Belton, Mayor.
Attest: M. Keefe, City Clerk.

PS&RS - Your Committee, having under consideration the property located at 1114 17th Av N which has been determined by the Director of Inspections to constitute a nuisance condition within the meaning of Chapter 249 of the Minneapolis Code of Ordinances, now recommends that the proper City Officers be authorized to raze said property legally described as Lot 8, Block 16, Gales Subdivision in Sherburne & Beebe's Addition to Minneapolis (PID #16-029-24-42-0088), in accordance with the Findings of Fact, Conclusions and Recommendations which are on file in the Office of the City Clerk and made a part of this report by reference.

Adopted. Yeas, 11; Nays none.
Absent - Niland.
Passed October 12, 2001.
Approved October 18, 2001. S. Sayles Belton, Mayor.
Attest: M. Keefe, City Clerk.

PS&RS - Your Committee, having under consideration the property located at 5308 47th Av S which has been determined by the Director of Inspections to constitute a nuisance condition within the meaning of Chapter 249 of the Minneapolis Code of Ordinances, now recommends that the proper City Officers be authorized to raze said property legally described as Lot 3, Block 11, Sunrise Park Addition to Minneapolis (PID #17-028-23-33-0156), in accordance with the Findings of Fact, Conclusions and Recommendations which are on file in the Office of the City Clerk and made a part of this report by reference.

Adopted. Yeas, 11; Nays none.
Absent - Niland.
Passed October 12, 2001.
Approved October 18, 2001. S. Sayles Belton, Mayor.
Attest: M. Keefe, City Clerk.

The **PUBLIC SAFETY & REGULATORY SERVICES** and **WAYS & MEANS/BUDGET** Committees submitted the following reports:

PS&RS & W&M/Budget - Your Committee recommends that the proper City Officers be authorized to continue participation in the Hennepin County Chiefs of Police Mutual Aid Pact to enable the Police Department to better protect the City of Minneapolis and to assist other law enforcement agencies when circumstances require a response to an event beyond the resources of a single agency.

Adopted. Yeas, 11; Nays none.
Absent - Niland.
Passed October 12, 2001.
Approved October 18, 2001. S. Sayles Belton, Mayor.
Attest: M. Keefe, City Clerk.

PS&RS & W&M/Budget - Your Committee, having under consideration the Minnesota Violent Crime/Fugitive Task Force, now recommends that the proper City Officers be authorized to accept an agreement with the Federal Bureau of Investigation (FBI) to pay overtime expenses necessary for the detection, investigation and prosecution of crimes against the United States, effective for the period October 1, 2001 through September 30, 2002.

Adopted. Yeas, 11; Nays none.
Absent - Niland.
Passed October 12, 2001.
Approved October 18, 2001. S. Sayles Belton, Mayor.
Attest: M. Keefe, City Clerk.

PS&RS & W&M/Budget - Your Committee, having under consideration the City's participation in the Drug Enforcement Administration (DEA) State and Local Task Force to enhance the ability of the Police Department to disrupt illicit drug traffic, now recommends that the proper City Officers be authorized to execute a Task Force Agreement with the DEA to detail three experienced police officers to the Task Force, and to receive compensation pursuant to the terms of the Task Force Agreement.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

PS&RS & W&M/Budget - Your Committee, having under consideration the newly established Administrative Enforcement and Hearing Process that provides a process for the resolution of certain violations of the Minneapolis Code of Ordinances, now recommends the following:

a. passage of the accompanying Resolution approving the adoption of an Administrative Enforcement Fine Schedule for violations enforced by Inspectors assigned to the Licenses and Consumer Services Division of the Department of Regulatory Services; and

b. that the Administrative Enforcement and Hearing Process Manual and the Administrative Enforcement and Hearing Process Benchbook for Hearing Officers be Received & Filed, as set forth in Petn No 267349 on file in the Office of the City Clerk.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

RESOLUTION 2001R-446

By Biernat and Campbell

Approving the adoption of an Administrative Enforcement Fine Schedule for violations enforced by Inspectors assigned to the Licenses and Consumer Services Division of the Department of Regulatory Services.

Whereas, the Minneapolis City Council has adopted an Amendment to Title 1 of the Minneapolis Code of Ordinances by adding therein a Chapter 2 relating to an Administrative Enforcement and Hearing Process; and

Whereas, Section 2.60 of the Minneapolis Code of Ordinances provides for the imposition of a civil fine for violations of certain Articles of the Minneapolis Code of Ordinances; and

Whereas, Section 2.70 of the Minneapolis Code of Ordinances provides that the City Council shall adopt by Resolution a schedule of fines for administrative offenses; and

Whereas, the Licenses and Consumer Services Division of the Department of Regulatory Services has submitted a proposed civil fine schedule for consideration by the City Council;

Now, Therefore, Be It Resolved by the City Council of the City of Minneapolis:

That the proposed civil fine schedule presented for consideration by the Licenses and Consumer Services Division of the Department of Regulatory Services be adopted, as set forth in Petn No 267349 on file in the Office of the City Clerk.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

The **TRANSPORTATION & PUBLIC WORKS** Committee submitted the following reports:

T&PW – Your Committee, having under consideration a proposal by Canadian Pacific Railway (CPR) relating to their Humboldt Av N railroad yard and proposing a roadway extension in the area that will reduce neighborhood truck traffic, now recommends approval of the extension of 47th Av N (as proposed in Petn No 267352).

Your Committee further recommends that the proper City officers be authorized to enter into a Stipulation Agreement with CPR relating to the project, pending satisfactory review of such agreement by the City Attorney.

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

T&PW – Your Committee, having under consideration the Fire Department's plans to expand and renovate Fire Station #6, now recommends that the proper City officers be authorized to obtain proposals for architectural/engineering design services for said station at 121 E 15th St.

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

T&PW – Your Committee recommends granting the application of Nancy Weyker for a Special Boulevard Permit to pave with concrete the boulevard at 3429 21st Av S.

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

T&PW – Your Committee, upon the recommendation of the Director of the Water Works, recommends that the proper City officers be authorized to issue a Request for Proposals (RFP) seeking engineering services for a study of a water system interconnection between Minneapolis and St. Paul.

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

T&PW – Your Committee, having under consideration the City's Asphalt Plant and a bid received for renovations to said plant and having received an update on future asphalt plant possibilities, now recommends that the bid received from Delta Design and Fabrication, Inc. (under OP #5695) to complete Phase II of the Asphalt Plant Renovation Project not be accepted.

Your Committee further recommends that the proper City officers be directed to:

1. Pursue enabling legislation to allow the City to pursue a joint venture for an asphalt plant and direct staff to consider land use as proposals for such a joint venture are evaluated;
2. Pursue interim improvements at the City's current asphalt plant at an estimated cost of \$165,000;
3. Return to the Transportation & Public Works Committee with any additional financial actions requiring City Council action; and
4. Return to the Transportation & Public Works, Community Development and Intergovernmental Relations Committee with proposed legislation.

Adopted. Yeas, 11; Nays none.

Absent – Niland.
Passed October 12, 2001.
Approved October 18, 2001. S. Sayles Belton, Mayor.
Attest: M. Keefe, City Clerk.

T&PW – Your Committee, having under consideration a report outlining the TAD 5 Ramp Exit plans, a project planned to address exiting problems at the ramp that will occur when 5th Street is reduced to one lane of traffic for the light rail transit (LRT) line, and outlining a proposal to locate the LRT traction power substation in the area, now recommends:

1. That the proper City officers be authorized to initiate negotiations and condemnation proceedings if necessary for the acquisition of the existing surface parking lot east of 2nd Av N and north of 5th St (PID#22-029-24-42-0057);

2. That the proper City officers be directed to negotiate an agreement between the Metropolitan Council and the City that provides the following:

The City will:

- Acquire the surface parking lot north of 5th St N and east of 2nd Av N (PID #22-029-24-42-0057);
- Construct a roadway along the east and north sides of this parcel to provide for egress from the TAD 5 ramp once LRT is implemented; and
- Grant a permanent easement to the Metropolitan Council for the remainder of this parcel without cost to the Metropolitan Council for purposes of placing a traction power substation.

The Metropolitan Council will:

- Build their traction power substation on this site rather than at other nearby locations currently being considered;
- Bear all remaining costs of placing the substation at this location;
- Design a substation and related facilities that complement the adjacent buildings, are consistent with the requirements of the Warehouse Historic District, and respect the historic nature of this area.

Adopted. Yeas, 11; Nays none.

Absent – Niland.
Passed October 12, 2001.
Approved October 18, 2001. S. Sayles Belton, Mayor.
Attest: M. Keefe, City Clerk.

T&PW – Your Committee, having been informed that the City's airport staff anticipates requests to provide services by citizens' groups beyond the ordinary scope of providing information, referrals, participating in meetings and normal duties and having reviewed a proposed policy on work requests relating to airport issues, now recommends that all requests for staff services that come from outside the City Planning Department and that may entail a concerted block of time, may be politically sensitive or controversial shall be submitted in writing to the City Planning Director for authorization and approval prior to initiating work.

Adopted. Yeas, 11; Nays none.

Absent – Niland.
Passed October 12, 2001.
Approved October 18, 2001. S. Sayles Belton, Mayor.
Attest: M. Keefe, City Clerk.

The **TRANSPORTATION & PUBLIC WORKS** and **WAYS & MEANS/BUDGET** Committees submitted the following reports:

T&PW & W&M/Budget – Your Committee, having under consideration the Hawthorne Transportation Center project and having received a list of final change orders for that project, now recommends:

1. That Contract No. 14292 with Adolphson & Peterson, Inc. be increased by \$259,457.76, for a new total of \$25,301,590.60, reflecting said change orders;

2. Having been informed that the project budget does not include sufficient funds for the outstanding General Fund overhead charge, that said charges in the amount of \$137,000 be waived; and

3. Passage of the accompanying resolution increasing the project appropriation and revenue by \$241,755.40 for that portion of the contract increase that will be reimbursed by the Minneapolis Community Development Agency (MCDA) for half the cost of the skyway to the Orpheum Theatre and from Greyhound for changes related to their facility.

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

RESOLUTION 2001R-447
By Mead and Campbell

Amending The 2001 Capital Improvement Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by increasing the appropriation for the PW - Transportation Capital Agency in the Municipal Parking Fund (7500-943-9464-8015) by \$241,755.40 and increasing the revenue sources (7500-943-9464 - Source 3755) by \$12,377.70 (Greyhound) and (7500-127-1270 - Source 3815) by \$229,377.70 (MCDA).

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

T&PW & W&M/Budget – Your Committee, having under consideration plans to change and improve traffic operations along 50th St between Queen Av S and Zenith Av S, now recommends that Residential Parking Program funds in the amount of \$11,500 (13th Ward allotment) be utilized for a parking study of the area of 50th St and Xerxes Av S.

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

T&PW & W&M/Budget – Your Committee, having under consideration streetscape enhancements proposed by the Marcy Holmes neighborhood through their Neighborhood Revitalization Program (NRP), now recommends:

1. Approval of plans to upgrade the City's on-going street reconstruction project and include streetscape elements on 8th Av SE between University Av and Main St SE subject to funding reimbursement from the Marcy Holmes NRP budget; and

2. Passage of the accompanying resolution increasing the Public Works - Streets & Malls Capital Agency appropriation by \$38,595.15 and increasing the revenue source to reflect that funding for the improvements will be reimbursed by NRP.

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

RESOLUTION 2001R-448
By Mead and Campbell

Amending The 2001 Capital Improvement Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by increasing the appropriation for the PW - Streets & Malls Capital Agency in the Permanent Improvement Projects Fund (4100-937-9372) by \$38,595.15 and increasing the revenue source (4100-973-9372 - Source 3225) by \$38,595.15.

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

T&PW & W&M/Budget - Your Committee, having under consideration the Lyn/Lake Municipal Parking Lots Project and establishment of proceedings for assessment of project costs and expenses and the establishment of impact fees for businesses that have bought into the lots to meet parking requirements, now recommends:

a) Passage of the accompanying Resolution establishing the special assessment proceedings for payable 2002 for the Lyn/Lake Parking Facilities;

b) Establishment of impact fees for the Lyn/Lake Lots for the period of September 1, 2001 through August 31, 2002 at \$805 per stall for businesses that had licenses/permits to expand their businesses, or approved plans by the City to expand their businesses as of September 1, 1998, and \$1,610 per stall for new businesses; and

c) Authorization to utilize Residential Parking Program funds in the amount of \$10,000 (Ward 10 allotment) to be applied to the 2002 assessment.

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

RESOLUTION 2001R-449
By Mead & Campbell

Establishing the special assessment proceedings for payable 2002 for the Lyn/Lake Parking Facilities.

Whereas, Minnesota Statutes, Section 459.14 (Automobile Parking Facilities) authorizes the City of Minneapolis to acquire property interests, construct parking facilities, operate and maintain parking facilities and finance parking facilities through special assessments levied against benefited properties; and

Whereas, the City of Minneapolis has approved the establishment of parking facilities in the Lyn/Lake area, as more particularly described in Resolutions 98R-129 passed April 24, 1998 and 98R-186 passed May 22, 1998 and in Petn Nos 263708 and 263799 on file in the Office of the City Clerk; and

Whereas, the City Engineer has recommended the amount to be specially assessed for payable 2002 to be \$159,187, all as contained in Petn No 267354 on file in the Office of the City Clerk;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the proper City Officers are hereby directed to prepare proposed special assessments in the total amount of \$159,187 and to give notice of a public hearing to be held by the Transportation and Public Works Committee on November 1, 2001, in accordance with Minnesota Statutes, Section 459.14 and Minnesota Statutes, Chapter 429, to consider the amount proposed to be assessed to each benefited property for payable 2002.

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

T&PW & W&M/Budget – Your Committee, having under consideration the Water Work's Hilltop Reservoir Project and the City's contract with Veit and Company for soil work, now recommends that the proper City officers be authorized to amend said contract to include additional piping and grading improvements for containment and control of overflow from the new and existing Hilltop Reservoirs and increase construction costs for the first and second phase of the project for a total increase in the contract of \$889,573.76, payable from the project budget (7400-950-9515).

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001.

Approved October 12, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

(Published October 16, 2001)

T&PW & W&M/Budget - Your Committee recommends acceptance of the following bids in accordance with City specifications (Petn No 267355):

a) OP #5703, only bid submitted by Custom Products and Services for an estimated expenditure of \$95,000 to provide snow removal and sidewalk maintenance for the Dinkytown Special Service District and the Stadium Village Special Service District;

b) OP #5709, low bid of Parsons Electric Company for an estimated expenditure of \$80,000 to provide journeyman electrician services as needed through December 31, 2002; and

c) OP #5704, low bid of Lametti & Sons, Inc in the amount of \$2,385,770 to accomplish replacement of MCES 4-MN-320 Interceptor and old Bassett Creek Culverts.

Your Committee further recommends that the proper City Officers be authorized to execute contracts for the above projects and/or services, in accordance with City specifications.

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

T&PW & W&M/Budget – Your Committee, having under consideration the Royalston Av Bridge Project and having been informed that the bids received for the project were higher than anticipated but acceptable by the City Engineer with a restructured project budget, now recommends:

a) Passage of the accompanying resolution increasing the appropriation for the Royalston Av Bridge Project by \$498,369 to reflect the increased cost, to be reimbursed by Municipal State Aid (MSA) funds; and

b) Acceptance of OP #5705, the low bid of Robert R. Schroeder Construction, Inc. in the amount of \$2,431,763.90 for the reconstruction of the Royalston Av Bridge and that the proper City Officers be authorized to execute a contract for said project, in accordance with City specifications.

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

RESOLUTION 2001R-450
By Mead and Campbell

Amending The 2001 Capital Improvement Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by increasing the appropriation for the PW - Streets & Malls Capital Agency in the Permanent Improvement Projects Fund (4100-937-9386) by \$498,369.

Adopted. Yeas, 11; Nays none.

Absent – Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

The **WAYS & MEANS/BUDGET** Committee submitted the following reports:

W&M/Budget - Your Committee, having under consideration final selection of the architectural/engineering team for design of the New Central Library Project, and having received notification that second interviews with the three selected finalists were held on October 4, 2001, now recommends concurrence with the recommendation of the New Central Library Implementation Committee to select Cesar Pelli and Associates/Architectural Alliance as the architectural/engineering team to design the New Central Library Project.

Your Committee further recommends that the Central Library Project Coordinator and appropriate office staff be directed to commence contract negotiations, based upon the proposal of the selected architect.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

W&M/Budget - Your Committee recommends settlement of a subrogation claim, in the amount of \$48,278.32, payable to the State Farm Insurance Company from the Self Insurance Fund (6900-150-1500-4000).

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

W&M/Budget - Your Committee recommends approval to select Leonard, Street and Deinard as the City's bond counsel for refunding of the commercial development refunding bonds issued for the Holiday Inn Metrodome Project.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

W&M/Budget - Your Committee recommends that the proper City officers be authorized to execute change orders to the following contracts for additional work required on the Convention Center Expansion Project, increasing the contracts by the amounts indicated, payable from the Convention Center Site Agency in the Permanent Improvement Projects Fund (4100-975-9751):

a) Change Order #9 to Contract #15156 with Kellington Construction, Inc., increasing said contract by \$77,255, for a new contract total of \$18,576,591;

b) Change Order #5 to Contract #15235 with Minuti-Ogle, Inc., increasing said contract by \$229,242, for a new contract total of \$10,126,772;

c) Change Order #8 to Contract #15236 with Harris Mechanical, increasing said contract by \$90,000, for a new contract total of \$16,955,782;

d) Change Order #9 to Contract #15236 with Harris Mechanical, increasing said contract by \$65,000, for a new contract total of \$17,020,782;

e) Change Order #4 to Contract #13946 with Merrimac Construction, increasing said contract by \$169,267, for a new contract total of \$4,783,008;

f) Change Order #4 to Contract #15224 with Premier Electrical Corporation, increasing said contract by \$81,126, for a new contract total of \$15,556,634; and

g) Change Order #2 to Contract #15261 with Grazzini Brothers & Company, increasing said contract by \$16,654, for a new contract total of \$223,657.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 12, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

(Published October 16, 2001)

W&M/Budget - Your Committee recommends that the proper City officers be authorized to transfer federal Empowerment Zone (EZ) funds to the Minneapolis Community Development Agency (MCDA) to act as sub-recipient of said EZ funds, which were approved for use by the Central Community Housing Trust, providing funds for the Pine Cliff Apartments phase of the Franklin-Portland Gateway Project, in the amount of \$77,142.

Your Committee further recommends that the proper City officers be authorized to execute a Memorandum of Understanding with the MCDA (as sub-recipient), setting forth the terms and conditions of the agreement.

Your Committee further recommends passage of the accompanying resolution increasing the Inter-fund Transfer Agency by \$77,142 for transfer to the MCDA.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

RESOLUTION 2001R-451

By Campbell

Amending The 2001 General Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by:

a) decreasing the appropriation for the City Coordinator Agency in the Federal Grants Fund (0300-840-8460-E214) by \$77,142; and

b) increasing the appropriation for the Inter-fund Transfer Agency in the Federal Grants Fund (0300-127-1270-9030) by \$77,142, for transfer to the MCDA, to act as sub-recipient of EZ funds to be used for the Franklin-Portland Gateway Project.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

W&M/Budget - Your Committee recommends acceptance of \$499,677 from the United States Department of Commerce for the Technology Opportunities Program to provide funds for creation of an integrated property database system known as the Minneapolis Neighborhood Information System that will be used by neighborhood planning committees to track the health of their neighborhood's housing supply and to target resources and strategies to address deterioration problems.

Your Committee further recommends that the proper City officers be authorized to execute a grant agreement with the United States Department of Commerce and to execute sub-recipient agreements, as necessary to implement the project.

Your Committee further recommends passage of the accompanying Resolution increasing the Information and Technology Services Agency appropriation and revenue estimate by \$499,677.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

**RESOLUTION 2001R-452
By Campbell**

Amending The 2001 General Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by increasing the appropriation for the Information and Technology Services (ITS) Agency in the Federal Grants Fund (0300-880-8860) by \$499,677, and increasing the ITS Agency revenue estimate in the Federal Grants Fund (0300-880-8860-Source 3210) by \$499,677 for the Minneapolis Neighborhood Information System.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

W&M/Budget - Your Committee recommends approval to reclassify the position of Draftsman III from Grade 8 of the Engineering Aide and Related Promotional Line to Property Services Project Coordinator, allocated to Grade 9 of the Staff Assistance Promotional Line, effective September 12, 2001.

Your Committee further recommends passage of the accompanying Salary Ordinance setting the salary for said position, based on studies conducted by the Department of Human Resources.

Your Committee further recommends that summary publication of the above-described Salary Ordinance be authorized.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Ordinance 2001-Or-120, amending Title 2, Chapter 20 of the Minneapolis Code of Ordinances relating to *Administration: Personnel*, setting the salary for the position of Property Services Project Coordinator, was passed October 12, 2001 by the City Council and approved October 18, 2001 by the Mayor. A complete copy of this ordinance is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized ordinance.

**ORDINANCE 2001-Or-120
By Campbell**

1st & 2nd Readings: 10/12/2001

Amending Title 2, Chapter 20 of the Minneapolis Code of Ordinances relating to Administration: Personnel.

Section 1. That the following classifications in Section 20.10.01 of the above-entitled ordinance be amended to make the following changes effective September 12, 2001.

20.10.01 Council Jurisdiction.

The compensation of the listed classifications under City Council jurisdiction shall be provided in this Chapter.

The rates of pay herein provided shall be effective as of September 12, 2001, and January 1, 2002, except as hereinafter provided, and shall apply to all persons in the employ of the City on or after the enumerated effective date, including those who have since such date retired or have been laid off through no fault or delinquency of such employee, but shall not apply to any employee heretofore separated from the service by voluntary resignation or through fault or delinquency on the part of such employee.

The rates stated herein shall be the annual salary rates unless stated otherwise.

**NON-REPRESENTED (CNR)
Effective September 12, 2001**

Job Code	Exempt Classifications	FLSA/		6-month rate	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
		OTC	P								
08445C	Property Services Project Coordinator	E1	A	41,668	43,404	45,689	48,093	50,625	53,289	56,094	59,046

Section 2. That the following classifications listed in section 20.10.01 of the above-entitled ordinance be amended to make the following changes effective January 1, 2002:

**NON-REPRESENTED (CNR)
Effective January 1, 2002**

Job Code	Exempt Classifications	FLSA/		6-month rate	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
		OTC	P								
08445C	Property Services Project Coordinator	E1	A	43,022	44,815	47,174	49,656	52,270	55,021	57,917	60,965

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

W&M/Budget - Your Committee recommends that the proper City officers be authorized to issue a Request for Proposals for an internet service provider for the City of Minneapolis, contingent upon concurrence by the Permanent Review Committee.

Adopted. Yeas, 11; Nays none.

Absent - Niland.
Passed October 12, 2001.
Approved October 18, 2001. S. Sayles Belton, Mayor.
Attest: M. Keefe, City Clerk.

W&M/Budget - Your Committee recommends approval of the final *Criminal Background Check Policy and Procedures*, as amended by the Executive Committee on November 27, 2000, and as presented to the Ways & Means/Budget Committee with additional changes on October 9, 2001, including the following amendment, all as more fully set forth in Petn No 267361 on file in the Office of the City Clerk:

“That the City Attorney and appropriate department staff be authorized to add an appendix or revised language to reflect the employees covered under the City’s policy for the Police and Fire Departments.”

Adopted. Yeas, 11; Nays none.
Absent - Niland.
Passed October 12, 2001.
Approved October 18, 2001. S. Sayles Belton, Mayor.
Attest: M. Keefe, City Clerk.

W&M/Budget - Your Committee recommends that the proper City officers be authorized to execute a legal services agreement with Stetler & Duffy, Ltd., to provide an independent investigation of the City’s regulatory programs, in the amount of \$150,000, payable from the Liability Agency in the Self-Insurance Fund (6900-150-1500-2400).

Your Committee further recommends approval to waive the City’s Professional Services Procurement Policy.

Adopted. Yeas, 11; Nays none.
Absent - Niland.
Passed October 12, 2001.
Approved October 18, 2001. S. Sayles Belton, Mayor.
Attest: M. Keefe, City Clerk.

The **ZONING & PLANNING** Committee submitted the following reports:

Z&P - Your Committee recommends granting the application of Nick Kellum for a special permit to reduce the front yard setback at 2023 Upton Av N to 20.7 ft to permit construction of a new house this year, contingent on the applicant applying for and receiving a variance for the setback, notwithstanding the Zoning Code. (#2001-139).

Adopted. Yeas, 10; Nays, 1 as follows:
Yeas - McDonald, Mead, Johnson, Thurber, Ostrow, Campbell, Biernat, Goodman, Colvin Roy, Cherryhomes.
Nays - Lane.
Absent - Niland.
Passed October 12, 2001.
Approved October 12, 2001. S. Sayles Belton, Mayor.
Attest: M. Keefe, City Clerk.
(Published October 16, 2001)

Z&P - Your Committee, having under consideration the appeal of Jodi Nottger from the decision of the Board of Adjustment approving a variance of the required front yard setback at 5704 23rd Av S from a line connecting the nearest front corners of the two adjacent dwellings, to 43 ft 6 in, to allow a new front deck not to exceed 4 ft in depth and 50 sq ft in area and not to extend closer than 10 ft from an interior side lot line, and having conducted a public hearing thereon, now recommends that the appeal be granted and a variance to 38 ft 6 in to allow a 9 ft x 21 ft front deck be approved, notwithstanding the decision of the Board of Adjustment. (Petn No 267365)

Adopted. Yeas, 11; Nays none.

Absent - Niland.
Passed October 12, 2001.
Approved October 18, 2001. S. Sayles Belton, Mayor.
Attest: M. Keefe, City Clerk.

Z&P - Your Committee concurs in the recommendation of the Heritage Preservation Commission that the MacPhail School of Music be designated as a local landmark pursuant to Title 23, Chapter 599 of the Minneapolis Code of Ordinances relating to *Heritage Preservation: Heritage Preservation Regulations*, and that the findings and designation study set forth in Petn No 267364 be adopted.

Your Committee further recommends passage of the accompanying resolution designating the MacPhail School of Music as a local landmark and publication of the resolution in summary form.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Resolution 2001R-453, entitled "Designating the MacPhail School of Music as a local landmark," was passed October 12, 2001 by the City Council and approved October 18, 2001 by the Mayor. The resolution designates the exterior of the school, at 1128 LaSalle Av, as a local landmark in accordance with Chapter 599 of the Minneapolis Code of Ordinances relating to *Heritage Preservation Regulations*, and cites favorable comment by the Minnesota Historical Society and favorable recommendation by the City Planning Commission, the Heritage Preservation Commission, and the Zoning & Planning Committee. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2001R-453
By McDonald

Designating the MacPhail School of Music as a local landmark.

Whereas, the Minneapolis Heritage Preservation Commission (HPC) held a public hearing on September 25, 2001 and recommended to the Standing Committee on Zoning and Planning that the exterior of the MacPhail School of Music, 1128 LaSalle Avenue, legally described as Lot 56, Auditor's Subdivision No 30, Also Lots 1 through 6 inclusive, Harmon's 2nd Addition, including adjacent part of alley vacation except street and alley as opened by the City, be designated as a local landmark; and

Whereas prior to such recommendation and in compliance with Title 23, Chapter 599 of the Minneapolis Code of Ordinances relating to Heritage Preservation Regulations, the HPC did refer the subject matter to the City Planning Commission (CPC) for review and recommendation, such CPC recommendation being made August 6, 2001; and further did refer the subject matter to the Minnesota Historical Society for review and comment, such favorable comment being made in a letter of February 28, 2001 set forth in Petn No 267364 in the Office of the City Clerk; and

Whereas, on October 2, 2001 the Standing Committee on Zoning and Planning recommended designation as a local landmark;

Now, Therefore, Be It Resolved by The City Council of the City of Minneapolis:

That the exterior of the MacPhail School of Music is hereby designated as a local landmark, and that the City Clerk is directed to file a certified copy of this resolution with the Office of the Hennepin County Recorder or Registrar of Titles.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001. J. Cherryhomes, President of Council.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Motions

Campbell, Chair of the Ways & Means/Budget Committee, moved that the regular payrolls for all City employees under City Council jurisdiction for the month of November, 2001, approved and ordered paid subject to audit by the Finance Officer. Seconded.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Lane moved to waive the 14-day filing time as required by Chapter 455 of the Minneapolis Code of Ordinances for applicant Daniel Quirk for a residential block event to be held Saturday, October 13, 2001, between the hours of 3:00 and 7:00 p.m. on Aldrich Avenue South between 55th and 56th Streets, having approval granted by the Public Works Department to grant said waiver. Seconded.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Biernat moved to waive the 14-day filing time as required by Chapter 455 of the Minneapolis Code of Ordinances for applicant Noreen Buhmann, representing the YMCA, for a residential block event to be held Thursday, October 11, 2001, between the hours of 2:00 and 6:00 p.m. on Jackson Street Northeast between 23rd Avenue for one half of the block toward 24th Avenue, having approval granted by the Public Works Department to grant said waiver. Seconded.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

Cherryhomes moved to introduce the subject matter of an ordinance amending Title 21, Chapter 576 of the Minneapolis Code of Ordinances relating to Interim Ordinances regarding a moratorium along West Broadway Avenue, which was given its first reading and referred to the Zoning & Planning Committee (Extending the moratorium 6 months).

Unfinished Business

The Committee Inc, 701 1st Av N: Deny special permit to install advertising sign. (Postponed 8/24/2001, Z&P)

The above report was postponed by unanimous consent.

Raze Properties: Sent forward without recommendation request to raze

- a) 1911 Penn Av N;
- b) 1523 Sheridan Av N; and
- c) 1631 Newton Av N.

PS&RS - Your Committee, having under consideration the following properties which have been deemed by the Director of Inspections to constitute nuisance conditions within the meaning of Chapter 249 of the Minneapolis Code of Ordinances and having recommended that the properties be razed, now recommends that said properties be sent forward without recommendation:

- a. 1911 Penn Av N, legally described as Lot 13, Block 1, Nichols-Frissel Co's Shady Park Side Addition to Minneapolis (PID #17-029-24-14-0021);

b. 1523 Sheridan Av N, legally described as Lot 3, Block 1, W.H. Lauderdale's Addition to Minneapolis (PID #17-029-24-44-0152); and

c. 1631 Newton Av N, legally described as Lot 1, Park Side Addition to Minneapolis (PID #16-029-24-32-0056).

Biernat moved that the report be divided to consider 1911 Penn Av N separately. Seconded.

Adopted by unanimous consent.

Biernat moved approval of the balance of the report. Seconded.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

Passed October 12, 2001.

Approved October 18, 2001. S. Sayles Belton, Mayor.

Attest: M. Keefe, City Clerk.

PS&RS - Your Committee, having under consideration the following property which has been deemed by the Director of Inspections to constitute nuisance conditions within the meaning of Chapter 249 of the Minneapolis Code of Ordinances and having recommended that the property be razed, now recommends that said property be sent forward without recommendation:

a. 1911 Penn Av N, legally described as Lot 13, Block 1, Nichols-Frissel Co's Shady Park Side Addition to Minneapolis (PID #17-029-24-14-0021).

Biernat moved that the report be postponed. Seconded.

Adopted upon a voice vote.

Raze Property: **Sent forward without recommendation** 1111 17th Av N. (Postponed 9/28/2001, PS&RS)

The above report was postponed by unanimous consent.

Contract with Minneapolis Refuse, Inc. (MRI): Approve staff recommendation to execute a new five-year contract with MRI, covering one-half the city's residential units, commencing on January 1, 2002, and establishing fees and annual percentage increases. (Postponed 9/28/2001 pending receipt of the report called for in the Ways & Means/Budget Committee recommendation, T&PW)

The above report was postponed by unanimous consent.

Minneapolis Stone Arch Partners, 600 & 625 Main St SE, 106 6th Av SE: Passage of Resolutions vacating 8th Av SE north of Main St and vacating Main St SE between 6th & 8th Avs; Authorize summary publication.

McDonald moved that the above report continue postponement. Seconded.

Adopted upon a voice vote.

Campbell moved to approve the 2002 City Council calendar (Petn No 267366.1). Seconded.

Adopted. Yeas, 11; Nays none.

Absent - Niland.

By unanimous consent, the meeting was adjourned.

MERRY KEEFE,
City Clerk.

Created: 10/15/2001; Modified 10/18/2001;
12/27/2001.