Amendments to *Minneapolis Tax Increment Policy* document that were approved by the Community Development Committee on March 22, 2005.

(Section III, E)

E. Alternatives, such as "pay as you go" financing and reimbursing front-end public redevelopment costs with tax increment revenues, are preferable to bond financing and are to be considered and used when appropriate. The City will not issue general obligation tax increment bonds except ~~under one of the following conditions: 1) substantially~~ when all net bond proceeds are used to directly pay public costs or refinance debt that was previously issued to pay for such costs, and the taxable development that will generate the tax increment used to pay all or a portion of the debt service on the bonds is either fully constructed and assessed by the City Assessor or is underway and subject to the terms and conditions of a development agreement with the City~~; or 2) if a substantial portion of the net bond proceeds are used to pay private costs, then a developer or other entity must provide the City with a debt service guaranty or similar for of security for the outstanding life of the bonds. All such guaranties are subject to the review and approval of the City Finance Officer~~.