

Minneapolis Community Development Agency

Request for City Council Action

Date: April 22, 2003

To: Council Member Lisa Goodman, Community Development Committee

Prepared by Dollie Crowther, Senior Project Coordinator, Phone 612-673-5263

Approved by Lee Sheehy, MCDA Executive Director
Chuck Lutz, MCDA Deputy Executive Director _____

Subject: Request for Final Approval of up to \$2,950,000 of Tax Exempt Multi-family Entitlement Rental Housing Revenue Bonds for the East Phillips Commons Project

Previous Directives: On March 26, 2001 the MCDA Board authorized staff to proceed with analysis of the 29th Street Corridor Project proposal and to negotiate terms and conditions of a redevelopment contract with Sherman Associates. On June 21, 2002, the City Counsel approved adoption of the Redevelopment Plan and the East Phillips Phase I Tax Increment Plan. On September 27, 2002 the City Council gave preliminary approval of \$2,850,000 of Tax Exempt Multi-family Housing Revenue Bonds for the East Phillips Commons Project.

Ward: 8

Neighborhood Group Notification: On June 16, 2001 the Powderhorn Park Neighborhood Association (PPNA) approved the project. On July 11, 2001 the Midtown Phillips Council approved this project and on March 26, 2001 the East Phillips Improvement Coalition approved the development of this project.

Consistency with *Building a City That Works*: Provide a diversity of housing choices within each community by providing financial assistance for new and existing housing.

Comprehensive Plan Compliance: Complies.

Zoning Code Compliance: Complies.

Impact on MCDA Budget: (Check those that apply)

- No financial impact
- Action requires an appropriation increase to the MCDA Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):

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Living Wage / Business Subsidy: NA

Job Linkage: NA

Affirmative Action Compliance: Will comply.

RECOMMENDATION:

City Council Recommendation: The Executive Director recommends that the City Council adopt the attached resolution giving final approval of up to \$2,950,000 in Tax Exempt Multi-family Entitlement Rental Housing Revenue Bonds for the East Phillips Commons Project. Summary publication of the Resolution is recommended.

Background/Supporting Information

On March 26, 2001 the MCDA Board authorized staff to proceed with analysis of the 29th Street Corridor Project proposal and negotiate terms and conditions of a redevelopment contract with Sherman Associates. On June 21, 2002 the City Council approved adoption of the Lake and Bloomington Development Plan and the East Phillips Commons Phase I, Tax Increment Plan.

Sherman Associates will be the general partner in the limited partnership that will be developing the Lake and Bloomington Project called the East Phillips Commons Limited Partnership. Sherman Associates specializes in the design, construction and financing of housing and commercial properties.

Project Description

Sherman Associates, Inc. is proposing construction of 4 live work 2 bedroom ownership units and 30 rental apartments. The apartments will have underground parking and tuck under parking for the live work units. In addition, 4,400 square feet of commercial/retail space will be a part of the housing project. This rental space will be aimed at local businesses. Also included on the first level is an Early Childhood Resource Center with a multi-lingual day care training center for training future ethnically specific daycare providers. The first level will include a community meeting room and office space for EPIC. The project is located on portions of approximately one and one half blocks north of East Lake Street between Bloomington Avenue South and 16th Avenue South. The project is close to the proposed Lake Street LRT station and offers residents the convenience of biking or walking to the station. A TIF District has been created for the project.

The 30 affordable rental housing units consists of 7 one-bedroom units, 15 two-bedroom units, and 8 three-bedroom units. It is anticipated that 40% of the units will be at 50% or less of median income and the remaining units will be at 60 % of median income. The developer will be requesting Section 8 project based assistance for 8 of the units. All the sources of funds required for the project have been committed except the MCDA funds. A portion of the funds (\$365,000) to construct the shell of the Resource Center and the office space will be provided by syndication of tax credits. The developer will be securing a private loan for the interior work.

Financing

East Phillips Commons Limited Partnership is requesting up to \$2,950,000 in Tax Exempt Multi-family Entitlement Rental Housing Revenue Bonds Year 2002 for the acquisition and construction expenses with this development. Due to the unanticipated increase in the acquisition costs, an additional \$100,000 of Entitlement Rental Housing Revenue Bonds from Year 2003 is necessary. The bonds will be FHA insured and rated AAA and will carry a 42 year term. With the Entitlement bonds the partnership will receive an automatic 4% allocation of tax credits for the project.

Sources of Funds

Tax Exempt Series A Bonds*	\$2,600,000.00	committed
Tax Exempt Series B Bonds*	350,000.00	committed
MARIF	900,000.00	committed
NRP (EPIC)	150,000.00	committed
NRP Affordability	515,000.00	committed
Tax Credit Equity	1,471,500.00	committed
AHIF	600,000.00	committed
General Partner Cash	88,223.00	committed
MCDA	117,250.00	pending
Total Sources	\$6,791,973.00	

*On going TIF payments provide up to \$ 758,300 of mortgage amount.

Uses of Funds

Construction	\$3,578,928.00
Construction Contingency	176,960.00
Construction Interest	73,179.00
Land	1,180,752.00
Demolition	75,000.00
Relocation	70,000.00
Arch & Eng	221,600.00
Survey & Civil	25,000.00
Legal	115,000.00
Appraisal	7,000.00
SAC	24,500.00

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Accounting	27,000.00
Soil Borings	7,600.00
Developer Fee & Overhead	595,000.00
Inspection	7,500.00
Taxes, Insurance	40,705.00
Payment & Perf Bd	32,000.00
Origination Fee	55,000.00
Insp FHA	13,250.00
Title & Rec.	15,000.00
FHA exam	7,950.00
Cost of Issuance	135,000.00
Market Study	12,800.00
Tax Credit Fees	12,000.00
Other	55,910.00
Operating Reserve	125,339.00
Neg Arbitrage	87,000.00
Bond Fund	15,000.00
Total Uses	\$6,791,973.00

HRB ENTITLEMENT: The 2002 HRB City of Minneapolis entitlement is \$33,547,000. With an allocation of Revenue Bonds for the Many Rivers Project (\$4,150,000) Bottineau Lofts (\$3,600,000) Stone Arch Apartments (\$3,600,000), West River Commons (\$8,200,000), Heritage Park Phase II (\$11,147,000), and East Phillips Commons (\$2,850,000), leaves a balance of 0. The Year 2003 HRB City of Minneapolis entitlement is \$33,867,000. With a bond authorization of up to \$353,000 for Heritage Park Phase II and \$100,000 for East Phillips Commons, a balance of \$33,414,000 is remaining.

Bond Counsel: Best & Flanagan

Underwriter: Piper Jaffrey

Council Member Informed: Yes, Ward 6.

Recommendation:

City Council Recommendation: The Interim Executive Director recommends that the City Council adopt the attached resolution giving preliminary approval of up to \$2,950,000 in Tax Exempt Multi-family Entitlement Rental Housing Revenue Bonds for the East Phillips Commons Project. Summary publication of the Resolution is recommended.

For further information, please call Dollie Crowther at 612-673-5263.

Authorizing the issuance of bonds, in a principal amount not to exceed \$2,950,000, with approximately \$2,600,000 in the form of Multifamily Housing Revenue Bonds (GNMA Collateralized Mortgage Loan – East Phillips Commons Project), Series 2003, and approximately \$350,000 in the form of a Multifamily Housing Revenue Note (East Phillips Commons Project), Subordinate Series 2003, and approving and authorizing the execution of various documents in connection therewith.

WHEREAS, pursuant to the Minnesota Municipal Housing Act, Minnesota Statutes, Chapter 462C, as amended (the “Act”), a city is authorized to carry out programs for the financing of multifamily housing for persons of low and moderate income, and to authorize its housing and redevelopment authority to act on its behalf; and

WHEREAS, the City Council (the “City Council”) of the City of Minneapolis (the “City”) has prepared the Housing Plan for Local Housing for the City of Minneapolis, Minnesota, revised June, 1984 (the “Plan”) which plan was adopted pursuant to the Act on July 13, 1984; and

WHEREAS, the Act requires adoption of a housing finance program after a public hearing held thereon for which notice was published in a newspaper of general circulation in the City at least fifteen (15) days in advance of the hearing; and

WHEREAS, there has been proposed a program (the “Program”) for the issuance of bonds to finance the acquisition and construction by East Phillips Commons Limited Partnership, a Minnesota limited partnership (the “Developer”), of a 30-unit multifamily rental housing development to be located at 2901 Bloomington Avenue South, in the City (the “Project”); and

WHEREAS, the City on September 19, 2002 did conduct a public hearing on the Program; and

WHEREAS, by Resolution 2002R-327 adopted September 27, 2002, and published on October 5, 2002, the City gave its preliminary approval to the issuance of \$2,850,000 of the bonds to finance the Program; and

WHEREAS, the City desires to give its preliminary and final approval to the issuance of an additional \$100,000 of the bonds to finance the Program; and

WHEREAS, the City has reserved \$2,850,000 of its 2002 housing revenue bond entitlement authority for the bonds and desires to reserve \$100,000 of its 2003 housing revenue bond entitlement authority for the bonds; and

WHEREAS, the City desires to facilitate the development of rental housing within the community, encourage the preservation of affordable housing opportunities for residents of the City, encourage the preservation of housing facilities designed for occupancy by persons of low or moderate income within the boundaries of the City, and the maintenance of affordable units in the Project would assist the City in achieving these objectives; and

WHEREAS, the Program will result in the provision of decent, safe and sanitary rental housing opportunities to persons within the community; and

WHEREAS, this City Council has been advised that conventional, commercial financing to pay the capital costs of the Program is available only on a limited basis and at such high costs of borrowing that the economic feasibility of operating the Project would be significantly reduced, but the City Council has been further advised that with the aid of municipal financing and resulting low borrowing costs, the Project is economically more feasible; and

WHEREAS, the staff of the City considers the proposed Program to be in furtherance of the housing policies of the State of Minnesota as stated in the Act and of the City as stated in the Plan; and

WHEREAS, the program is to be financed from the proceeds of bonds, in an aggregate amount not to exceed \$2,950,000, with approximately \$2,600,000 being in the form of Multifamily Housing Revenue Bonds (GNMA Collateralized Mortgage Loan – East Phillips Commons Project), Series 2003 (the “Bonds”), and approximately \$350,000 in the form of a Multifamily Housing Revenue Note (East Phillips Commons Project), Subordinate Series 2003 (the “Note”), to be issued by the City, and the revenues from the Project (as defined below) shall be pledged for the security and payment of the Bonds (except as may otherwise be set forth in the Indenture hereinafter referred to); and

WHEREAS, the Bond proceeds will be used by the City to fund a loan (the “Loan”) to the Developer to finance the acquisition and construction of the Project; and

WHEREAS, the Bonds will be issued under an Indenture of Trust, dated as of May 1, 2003 (the “Indenture”), and the proceeds of the Bonds will be loaned to the Developer pursuant to a Financing Agreement, dated as of May 1, 2003 (the “Financing Agreement”), and the Bonds will be secured by a pledge of all rights and revenues derived by the City from the Financing Agreement (except certain retained rights of the City), and said Bonds and the interest on said Bonds shall be payable solely from the revenues pledged therefor and the Bonds shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation nor give rise to a pecuniary liability of the City or a charge against its general credit or assets and shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City other than the City’s interest in the Project; and

WHEREAS, the Note will be issued, and the proceeds of the Note will be loaned to the Developer pursuant to a Note Agreement, dated as of May 1, 2003 (the “Note Agreement”),

between the City and the Developer, and the Note, pursuant to an Assignment of Note Agreement, dated as of May 1, 2003 (the "Assignment of Note Agreement"), between the Developer, the City and the lender named in the Note Agreement (the Lender"), will be secured by a pledge of all rights derived by the Developer from the Note Agreement to the Lender, and said Note and the interest on said Note shall be payable solely from the revenues pledged therefor and the Note shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation nor give rise to a pecuniary liability of the City or a charge against its general credit or assets and shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City other than the City's interest in the Project; and

WHEREAS, forms of the following documents (including the exhibits referred to therein) have been submitted to the City:

a. The Indenture to be made and entered into between the City and the trustee named therein (the "Trustee"), providing for the issuance of the Bonds, prescribing the form thereof, pledging the trust estate described therein for the security of the Bonds, and setting forth proposed recitals, covenants and agreements with respect thereto;

b. The Financing Agreement to be made and entered into between the City, the Developer, the Trustee and the Lender, providing for the loan of the proceeds of the Bonds to the Developer, and for the repayment of such loan;

c. The Tax Regulatory Agreement, dated as of May 1, 2003 between the City, the Trustee and the Developer (the "Tax Regulatory Agreement");

d. The Regulatory Agreement, dated as of May 1, 2003 between the City, the Trustee and the Developer (the "Regulatory Agreement");

e. The Note;

f. The Note Agreement;

g. The Assignment of Note Agreement;

h. The Bond Purchase Agreement between U.S. Bancorp Piper Jaffray, Inc. (the "Underwriter"), the City and the Developer (the "Bond Purchase Agreement"); and

i. The Preliminary Official Statement.

The agreements described and referred to in paragraphs a through h above shall hereinafter sometimes be referred to collectively as the "Agreements";

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF MINNEAPOLIS:

That it is hereby found, determined and declared that:

a. The preservation of the quality of life in the City is dependent upon the maintenance, provision and preservation of an adequate housing stock which is affordable to persons and families of low or moderate income, that accomplishing this is a public purpose, and that many would-be providers of housing units in the City are either unable to afford mortgage credit at present market rates of interest or are unable to obtain mortgage credit because the mortgage credit market is severely restricted.

b. The development and implementation of the Program, and the issuance and sale of the Bonds by the City, and the execution and delivery of the Agreements and the performance of all covenants and agreements of the City contained therein and of all other acts and things required under the Constitution and Laws of the State of Minnesota to make the Agreements and the Bonds valid and binding obligations of the City in accordance with their terms, are authorized by the Act.

c. The implementation of the Program for the purposes and in the manner contemplated by the Agreements conforms or will conform to all pertinent statutes, regulations and ordinances of the State of Minnesota and the City.

d. It is desirable that the Bonds and the Note be issued by the City, in an aggregate principal amount not to exceed \$2,950,000, on the terms set forth in the Indenture, the Bond Purchase Agreement and the Note Agreement.

e. The payments required or provided for by the Agreements are intended to produce income and revenues sufficient to provide for the payment when due of principal of and interest on all Bonds issued under the Indenture, and payments are required to be made for such expenses of, among other things, administration of the Program as will be necessary to protect the interests of the City and the Trustee.

f. Pursuant to the provisions of the Act, and as provided in the Agreements, the Bonds and the Note shall be retired solely from the revenues of the Project.

BE IT FURTHER RESOLVED, that the Agreements in substantially the forms submitted to the City at this meeting are hereby approved. Such of the documents as require the execution of the City are hereby authorized and directed to be executed or accepted, as the case may be, and delivered in the name and on behalf of the City by its Mayor, City Clerk and Finance Officer upon execution thereof by the parties thereto as appropriate. The Bonds, the Note and the Agreements shall be executed and delivered as provided therein. Copies of all the documents necessary for the consummation of the transactions described herein and in the Agreements shall be delivered, filed and recorded as provided herein and in the Agreements.

BE IT FURTHER RESOLVED, that the form and terms of the Agreements may be varied prior to execution and delivery by the parties thereto, provided that any such variance shall not be, in the opinion of the City's legal counsel and the Mayor, materially adverse to the

interests of the City. The execution and delivery of the Agreements as provided above shall be conclusive evidence of the determination that any such variance was not materially adverse to the interests of the City.

BE IT FURTHER RESOLVED, that in anticipation of the collection of revenues of the Project, there shall be issued forthwith the Bonds, which issuance is approved, substantially in the forms and upon the terms set forth in the Indenture, the terms of which are for this purpose incorporated in this resolution and made a part hereof as if fully set forth herein. The Bonds shall be dated as of the date and shall mature on the dates (subject to redemption on such earlier dates as provided in the Indenture), bear interest and be payable at the rates, all determined as set forth in the Indenture, provided that such rates shall result in an average coupon rate not greater than 6.25% per annum.

BE IT FURTHER RESOLVED, that in anticipation of the collection of revenues of the Project, there shall be issued forthwith the Note, which issuance is approved, substantially in the forms and upon the terms set forth in the Note Agreement and the Assignment of Note Agreement, the terms of which are for this purpose incorporated in this resolution and made a part hereof as if fully set forth herein. The Note shall be dated as of the date and shall mature on the date, bear interest and be payable at the rate, all determined as set forth in the Note Agreement and the Assignment of Note Agreement, provided that such rates shall result in an average coupon rate not greater than 6.25% per annum if the Note bears interest at a fixed rate or an initial average coupon rate not greater than 10.00% per annum if the Note bears interest at a variable rate.

BE IT FURTHER RESOLVED, that preliminary approval of the issuance of an additional \$100,000 in bonds is hereby approved, ratified and confirmed.

BE IT FURTHER RESOLVED, that all actions of the members, employees and staff of the City heretofore taken in furtherance of the Program are hereby approved, ratified and confirmed.

BE IT FURTHER RESOLVED, that the Bonds and the Note are hereby designated "Program Bonds" and are determined to be within the "Housing 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 sale of said Bonds to the Underwriter is hereby approved, and the Bonds are hereby directed to be sold to the Underwriter, upon the terms and conditions set forth in the Bond Purchase Agreement. The Mayor, City Clerk and Finance Officer of the City are hereby authorized and directed to prepare and execute by manual or facsimile signature the Bonds as described in the Indenture and to deliver them to the Trustee (which is herein designated as the authenticating agent under Minnesota Statutes, Section 475.55) for authentication and delivery to the Underwriter, together with a certified copy of this resolution, and the other documents required by the Indenture.

BE IT FURTHER RESOLVED, that the sale of said Note to the Lender is hereby approved, and the Note is hereby directed to be sold to the Lender, upon the terms and conditions set forth in the Note Agreement and the Assignment of Note Agreement. The Mayor, City Clerk and Finance Officer of the City are hereby authorized and directed to prepare and execute by manual or facsimile signature the Note as described in the Note Agreement and the Assignment of Note Agreement, and to deliver it to the Trustee (which is herein designated as the authenticating agent under Minnesota Statutes, Section 475.55) for authentication and delivery to the Lender, together with a certified copy of this resolution, and the other documents required by the Note Agreement and the Assignment of Note Agreement.

BE IT FURTHER RESOLVED, that the Mayor, City Clerk, Finance Officer and other officers of the City are authorized and directed to prepare and furnish when the Bonds and the Note are issued, certified copies of all proceedings and records of the City relating to the Bonds and the Note and such other affidavits and certificates (including but not limited to those required by bond counsel) as may be required to show the facts relating to the legality, tax exemption and marketability of the Bonds and the Note as such facts appear from the books and records in said officers' 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 made by the City and contained therein. The Mayor, City Clerk, Finance Officer and said officers are further authorized to execute such additional documents as shall be determined by the Mayor to be necessary and desirable to provide for the issuance of the Bonds and the Note.

BE IT FURTHER RESOLVED, that the Mayor, City Clerk, Finance Officer and other officers of the Issuer consent to the distribution of the Preliminary Official Statement relating to the Bonds, substantially in the form on file with the Issuer. The Mayor, City Clerk, Finance Officer and said officers further consent to the use by the Underwriter in connection with the sale of the Bonds of a final Official Statement, substantially in the form of the Preliminary Official Statement described above. The Preliminary Official Statement and the Official Statement are the sole materials consented to by the Mayor, City Clerk, Finance Officer and said officers for use in connection with the offer and sale of the Bonds. The Mayor, City Clerk, Finance Officer and said officers have not participated in the preparation thereof, have not made any independent investigation of the information contained therein and shall have no liability in connection with the contents of or use of such offering materials.

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 of the aforementioned documents shall be exercised or performed by the City or by such members of the City, or 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, or any officer, agent or employee of the City in that person's individual capacity, and neither the City Council nor any officer or employee executing the Bonds or the Note shall be liable personally on the Bonds or the Note 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, the Note or in any other document related to the Bonds or the Note, 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 Project, the proceeds of the Bonds which are to be applied to the payment of the Bonds, as provided therein and in the Indenture, or the proceeds of the Note which are to be applied to the payment of the Note, as provided therein and in the Note Agreement. Neither the Bonds nor the Note shall constitute a charge, lien or encumbrance, legal or equitable, upon any property or funds of the City except the revenue and proceeds pledged to the payment thereof, nor shall the City be subject to any liability thereon. The holders of the Bonds and the Note shall never have the right to compel any exercise of the taxing power of the City to pay the outstanding principal of the Bonds or the Note, or the interest thereon, or to enforce payment thereof against any property of the City. The Bonds and the Note shall recite in substance that the Bonds and the Note, including the interest thereon, are payable solely from the revenues and proceeds pledged to the payment thereof. Neither the Bonds nor the Note shall constitute a debt of the City within the meaning of any constitutional or statutory limitation.

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 holder of the Bonds and the Note 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 holder 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 provisions of this resolution, or of the aforementioned documents, or of the Bonds or the Note 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 or the Note, but this resolution, the aforementioned documents, the Bonds and the Note shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

BE IT FURTHER RESOLVED, that the Bonds and the Note, when executed and delivered, shall contain a recital that they are issued pursuant to the Act, and such recital shall be conclusive evidence of the validity of the Bonds and the Note and the regularity of the issuance thereof, and that all acts, conditions and things required by the laws of the State of Minnesota

relating to the adoption of this resolution, to the issuance of the Bonds and the Note and to the execution of the aforementioned documents to happen, exist and be performed precedent to and in the enactment of this resolution, and precedent to issuance of the Bonds and the Note, and precedent to the execution of the aforementioned documents have happened, exist and have been performed as so required by law.

BE IT FURTHER RESOLVED, that in the event any of the officers of the City authorized to execute documents on behalf of the City under this resolution have resigned or shall for any reason be unable to do so, any member of the City, or officer of the City, is hereby directed and authorized to do so on behalf of the City, with the same effect as if executed by the officer authorized to do so in this resolution.

BE IT FURTHER RESOLVED, that the City hereby allocates up to \$2,850,000 of its 2002 entitlement authority and up to \$100,000 of its 2003 entitlement authority to issue tax-exempt bonds pursuant to Minnesota Statutes, Chapter 474A, to the Bonds and the Note, the actual amount of such allocation to be in the aggregate principal amount of Bonds and Note issued.

BE IT FURTHER RESOLVED, that this Resolution shall take effect upon publication.

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