

## Summary of Resolution

On December 4, 2009, the City Council of the City of Minneapolis (the "City") adopted Resolution 2009R-\_\_\_\_ (the "Resolution"), entitled "Authorizing the sale and issuance of Taxable General Obligation Tax Increment Refunding Bonds (Target Center Project); establishing the forms, terms, and security of such obligations; and making findings and providing covenants and directions relating to the issuance of such obligations." The Resolution provides for the sale and issuance of one or more series of taxable general obligation bonds of the City in an aggregate principal amount not to exceed \$60,000,000, to be designated as the Taxable General Obligation Tax Increment Refunding Bonds (Target Center Project), Series 2009D, or such other designation determined by the Finance Officer in his discretion (the "Series 2009D Bonds"). The Series 2009D Bonds are to be issued as general obligations of the City pursuant to the terms of Minnesota Statutes, Chapter 475, as amended, and Minnesota Statutes, Sections 469.174-469.179, as amended (collectively, the "Act").

The proceeds derived from the sale of the Series 2009D Bonds are to be applied by the City to the redemption and prepayment of the following obligations: (i) the General Obligation Refunding Bonds (Sports Arena Project), Series 1996 (the "Series 1996 City Bonds"), issued by the City in the original aggregate principal amount of \$67,555,000 and currently outstanding in the principal amount of \$49,735,000, and issued pursuant to Resolution No. 95R-408, adopted by the City Council of the City on December 29, 1995, and approved by the Mayor of the City on January 4, 1995, and a Trust Indenture, dated as of January 1, 1996, between the City and the Wells Fargo Bank, National Association (formerly known as Norwest Bank Minnesota, National Association), as trustee (the "Trustee"); and (ii) Revenue Bonds (Arena Acquisition Project), Series 1995 (the "MCDA Bonds"), issued by the Minneapolis Community Development Agency (the "MCDA") in the original aggregate principal amount of \$12,650,000 and currently outstanding in the principal amount of \$8,595,000, and issued on March 23, 1995, pursuant to Resolution No. 95-1282M, adopted by the Board of Commissioners of the MCDA and approved by the Mayor of the City on March 10, 1995, and an Indenture of Trust, dated as of March 1, 1995, between the MCDA and the Trustee. Payment of the principal of, premium, if any, and interest on the Series 2009D Bonds is expected to be paid from tax increment revenues and other revenues pledged to payment of the debt service on the Series 2009D Bonds pursuant to the terms of the Resolution (the "Revenues").

Authority to negotiate the sale and issuance of the Series 2009D Bonds has been delegated by the terms of the Resolution to the Finance Officer under Minnesota Statutes, Section 475.60, subdivision 1, and each series is expected to be sold at the prices determined by the Finance Officer acting in accordance with the requirements of the Act, including Minnesota Statutes, Sections 475.56 and 475.60 and, in such regard, the Finance Officer is authorized to determine the amount of the Series 2009D Bonds to be issued for purposes of the Act. The Series 2009D Bonds will bear interest at the rates specified by the successful proposal and approved by the Finance Officer. 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 on behalf of the City or direct such actions as the Finance Officer may deem necessary and expedient.

The full faith and credit of the City are to be irrevocably pledged for the prompt and full payment of the Series 2009D Bonds and the interest thereon, when due. It is estimated that the Revenues to be applied to the payment of the Series 2009D Bonds under the terms of the Resolution will produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Series 2009D 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 Revenues and other revenues to be applied to the payment of the Series 2009D Bonds in the following year, together with available amounts on deposit in the Debt Service Account (as defined in the Resolution) and other dedicated funds, are insufficient to pay the principal of and interest on the Series 2009D Bonds in such subsequent year and at least five percent (5%) in excess thereof.

This is a summary of the Resolution. A full text of the Resolution is available for public inspection in the office of the City Clerk.