



**Request for City Council Committee Action  
from the Department of Community Planning and Economic Development**

**Date:** October 11, 2011

**To:** Council Member Lisa Goodman, Chair Community Development Committee

**Subject:** Buzza Historic Lofts - Request for Final Approval of up to \$28,000,000 of Tax Exempt Multifamily Housing Revenue Entitlement Bonds

**Recommendation:** Approve the attached Resolution giving Final Approval of up to \$28,000,000 of Tax Exempt Multifamily Housing Revenue Entitlement Bonds for the Buzza Historic Lofts Project

**Previous Directives:**

- On September 23, 2011, the City Council provided preliminary approval of up to \$28,000,000 of Tax Exempt Multifamily Housing Revenue Entitlement Bonds for the Buzza Historic Lofts Project.

Prepared by: Theresa Cunningham, Senior Project Coordinator (612) 673-5237
Approved by: Thomas A. Streitz, Director of Housing Development _____
Charles T. Lutz, CPED Deputy Director _____
Presenter in Committee: Theresa Cunningham

**Financial Impact:** Project will generate issuer fees.

**Community Impact:**

- Neighborhood Notification: On February 16, 2011, the Lowry Hill East Neighborhood Association was presented the proposed development and financing plan and the Board of Directors unanimously voted to approve the project as presented.
- City Goals: This project addresses the following goals: A safe place to call home; Many People-One Minneapolis; Jobs and economic vitality; and Livable Communities-Healthy Lives.
- Sustainable targets: Affordable housing and increased density of development along light rail transit line.
- Comprehensive Plan: Section 4.1 Minneapolis will encourage reinvestment along major urban corridors as a way of promoting growth in all neighborhoods; Section 4.3 Minneapolis will support development in Commercial Corridors where it enhances the street's character, improves its ability to accommodate automobile traffic and foster pedestrian movement, and expands the range of goods and services offered; Section 4.9 Minneapolis will grow by increasing its supply of housing; Minneapolis will increase its housing that is affordable to low and moderate income households
- Living wage/Business Subsidy Agreement: N/A

- Zoning Code: The project will comply
- Job Linkage: This project will create 2 permanent full-time positions (a facilities manager and maintenance technician) and 2 permanent part-time positions (leasing assistant and janitorial staff).
- Other

### **Supporting Information**

The Buzza Historic Lofts is an historic structure originally constructed in 1907 as office and production space. Over the years, the building has transitioned from a greeting card business, a periscope assembly facility, a military recruiting center and most recently as a public school/adult education facility. The building is located at 1006 W. Lake St. in the Uptown community of the Lowry Hill East Neighborhood of South Minneapolis (Ward 10). The property is currently owned by the Minneapolis Public School District who has signed a purchase agreement with the developer, set to expire December 31, 2011. The developer proposes to purchase the property and completely gut and substantially renovate, converting the entire building into affordable housing rental units. The developer has applied for historic designation of the property and is awaiting approval by the National Park Service.

The property is a vacant four-story elevator building with a full lower level. The entire building including the lower level will be converted to 137 units of affordable housing with a unit mix of studios, 1, and 2 bedroom apartments. All units will have in-unit laundry facilities and full kitchens. Units sizes will range from 500-800 square feet (studios and 1-bedroom units), and 850-1,100 square feet (2 bedroom units). Seventy-two percent (99) of the units will be 1-BR, twenty-six percent (36) of the units will be 2-BR, and 2 units will be studio lofts. Rents will range from \$835 - \$1,048 per month with all rents affordable to households earning 60% or less of Area Median Income. Residents will be charged \$55/month for a surface parking stall.

Given the existing site conditions, it is anticipated that there will be resident and guest parking spaces for 133 vehicles wrapping around the northwest side of the building at the lowest level. Pedestrian street level access will be provided at the front (south) side of the building and at an existing western entrance from the surface parking lot. Handicap access will be provided from an eastern ramped entrance and from the western parking lot entrance. Marketing and management functions will be developed at the western 1<sup>st</sup> level near the pedestrian entrance. The main amenities will include exercise facilities, a community room, outdoor courtyard and green space which will be developed on the 1<sup>st</sup> level along the western side of the building.

The development will be owned by the Minneapolis Leased Housing Associates III, LP which is a single-asset entity created solely for the purpose of owning and operating the Buzza Historic Lofts. The members of the general partnership are the principals of Dominion, founded in 1972, and now one of the largest and fastest growing apartment development and management companies in the Midwest. Since 1991, Dominion has grown from a company with 3,000 apartment units to a company that now owns over 19,000 apartment units throughout the United States (e.g. California, Georgia, Minnesota, Missouri, Texas, and other states). The investor limited partner is yet to be determined. Upon completion, the property will be managed by Dominion Management Services. A Project Data Worksheet

(PDW) is attached as Exhibit 1 and provides additional details regarding the proposed development.

**Financing Overview**

The total development cost of the Buzza Historic Lofts renovation project is approximately \$33,583,907. Syndication proceeds for the historic tax credit equity is estimated at approximately \$9,719,816. The developer has committed to deferral 50% of their developer fee totaling \$1,602,991. The Housing Revenue Entitlement Bonds carry an automatic 4% low income housing tax credit. The tax credits will generate approximately \$10 million in syndication proceeds which is equity to the project.

The developer is requesting up to \$28,000,000 in housing revenue entitlement bonds. The bonds will be issued in two series with an A Series of approximately \$11 million remaining as permanent debt on the property secured as a first mortgage and repaid over a 30-year term; with the first 2 years being interest-only during the construction period, on a 30-year amortization schedule. The remaining Series B Bond issue will provide interest-only construction financing maturing 18 months from issuance or upon construction completion. The developer will also be making a general partner capital contribution of approximately \$126,133 to the project.

In addition, the developer has received environmental remediation awards from the Metropolitan Council Tax Base Revitalization Account (\$449,447) and Hennepin County Environment Relief Funds (\$306,000) to assist with the remediation of lead base paint and asbestos.

**Housing Revenue Bond Information**

The developer is requesting final bond approval for the issuance of up to \$28,000,000 in tax exempt multi-family housing entitlement revenue bonds from the city’s 2010 allocation. These funds will be supported by project revenues. Staff anticipates this project will close by November 30, 2011.

The current status of the 2010/2011 HRB Entitlement allocation is shown below:

<b>Activity Description</b>	<b>Bonds Allocated</b>	<b>Bond Balance</b>
2010 HRB Entitlement		120,608,911
Less Riverside Plaza	(69,950,000)	50,658,911
Plus 2011 HRB Entitlement	45,326,000	95,984,911
Less- Longfellow Station	(17,000,000)	78,984,911
Less- Hi Lake Triangle	(6,500,000)	72,484,911
Less - City Place Lofts	(5,500,000)	66,984,911
Less – Buzza Historic Lofts	(28,000,000)	38,984,911

Bond Purchaser: US Bank  
 Bond Underwriter: US Bank  
 Bond Counsel: Kennedy & Graven, Chartered

Council Member Informed: Meg Tuthill, Ward 10

**RESOLUTION**  
**of the**  
**City of Minneapolis**

**AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF MULTIFAMILY HOUSING REVENUE NOTES (MINNEAPOLIS LEASED HOUSING ASSOCIATES III, LIMITED PARTNERSHIP PROJECT), SERIES 2011A AND SERIES 2011B; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE SERIES 2011 NOTES, AND RELATED DOCUMENTS; PROVIDING FOR THE SECURITY, RIGHTS, AND REMEDIES WITH RESPECT TO THE SERIES 2011 NOTES; AND GRANTING APPROVAL FOR CERTAIN OTHER ACTIONS WITH RESPECT THERETO**

RESOLVED BY THE CITY COUNCIL OF THE CITY OF MINNEAPOLIS:

1. STATUTORY AUTHORIZATION. The City of Minneapolis, Minnesota (the "City"), is a home rule city and political subdivision duly organized and existing under its Charter and the Constitution and laws of the State of Minnesota, and is authorized by Minnesota Statutes, Chapter 462C, as amended (the "Housing Act"), to carry out the public purposes described in the Housing Act by issuing revenue bonds or other revenue obligations to finance multifamily housing developments located within the City. In the issuance of the City's revenue bonds and other revenue obligations and in the making of loans to finance multifamily housing developments, the City may exercise, within its corporate limits, any of the powers that the Minnesota Housing Finance Agency may exercise under Minnesota Statutes, Chapter 462A, as amended, without limitation under the provisions of Minnesota Statutes, Chapter 475, as amended.

2. THE BORROWER AND THE PROJECT. Minneapolis Leased Housing Associates III, Limited Partnership, a Minnesota limited partnership (the "Borrower"), has requested the participation of the City in the financing of the acquisition and rehabilitation of an approximately 137-unit multifamily rental housing development and facilities functionally related and subordinate thereto, located at 1006 West Lake Street in the City to be owned by the Borrower (the "Project").

3. THE HOUSING PROGRAM. A Program for a Multifamily Housing Development (Buzza Historic Lofts) (the "Housing Program") with respect to the Project and the proposed issuance of revenue obligations to finance the Housing Program and the Project was prepared pursuant to the requirements of Section 462C.03, subdivision 1a, of the Housing Act, and is on file with the City. The Housing Program was submitted to the Metropolitan Council for its review and comments in accordance with the requirements of the Housing Act.

4. PUBLIC HEARING AND PRELIMINARY RESOLUTION. The Community Development Committee of the Minneapolis City Council, on behalf of the City, held a public hearing on September 22, 2011, with respect to the Housing Program and the proposed issuance of revenue obligations to finance the Project. The public hearing was conducted at least fifteen (15) days after the publication in a newspaper of general circulation in the City of a notice of such public hearing. At a meeting held on September 23, 2011, the City Council of the City adopted Resolution 2011R-468 which approved and adopted the Housing Program and granted preliminary approval to the issuance of revenue obligations of the City in a principal amount of approximately \$28,000,000 to finance the Project.

5. THE SERIES 2011 NOTES. The Borrower has requested that the City issue the following revenue obligations of the City in an aggregate principal amount not to exceed \$28,000,000 for the benefit of the Borrower: (i) Multifamily Housing Revenue Note (Minneapolis Leased Housing Associates III, Limited Partnership Project), Series 2011A (the "Series 2011A Note"); and (ii) Multifamily Housing Revenue Note (Minneapolis Leased Housing Associates III, Limited Partnership Project), Series 2011B (the "Series 2011B Note"). The Series 2011A Note and the Series 2011B Note are hereinafter referred to collectively as the "Series 2011 Notes." The Borrower has requested that the City loan the proceeds derived from the sale of the Series 2011 Notes to the Borrower pursuant to the terms of a Loan Agreement, dated on or after October 1, 2011 (the "Loan Agreement"), between the City and the Borrower. The Borrower proposes to apply the proceeds of the loan made pursuant to the terms of the Loan Agreement (the "Loan") to the payment of a portion of the costs of the acquisition and rehabilitation of the Project and related costs.

6. OBLIGATIONS OF THE CITY. The City acknowledges, finds, determines, and declares that the issuance of the Series 2011 Notes is authorized by the Housing Act and is consistent with the purposes of the Housing Act and that the issuance of the Series 2011 Notes, and the other actions of the City under the Loan Agreement and this resolution constitute a public purpose and are in the interests of the City. In authorizing the issuance of the Series 2011 Notes for the financing of the Project and related costs, the City's purpose is and the effect thereof will be to promote the public welfare of the City and its residents by providing multifamily housing developments for low or moderate income residents of the City and otherwise furthering the purposes and policies of the Housing Act. The Series 2011 Notes will be issued pursuant to this resolution and the Series 2011 Notes and the interest on the Series 2011 Notes: (i) shall be payable solely from the revenues pledged therefor under the Loan Agreement; (ii) shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation; (iii) shall not constitute nor give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers; (iv) 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 Loan Agreement; and (v) shall not constitute a general or moral obligation of the City.

7. ISSUANCE OF THE SERIES 2011 NOTES. For the purposes set forth above, there is hereby authorized the issuance, sale, and delivery of the Series 2011 Notes in the maximum aggregate principal amount not to exceed \$28,000,000. The Series 2011 Notes shall bear interest at the rates, shall be designated, shall be numbered, shall be dated, shall mature, shall be in the aggregate principal amount, shall be subject to redemption prior to maturity, shall be in such form, shall be secured and payable from such sources and on such terms, and shall have such other terms, details, and provisions as are prescribed in the Series 2011 Notes, in the forms now on file with the City, with the amendments referenced herein. The City hereby authorizes the Series 2011 Notes to be issued as "tax-exempt bonds," the interest on which is not includable in gross income for federal and State of

Minnesota income tax purposes. The Series 2011 Notes shall be special, limited obligations of the City payable solely from the revenues, assets, and other security provided by the Borrower and related parties pursuant to the terms of the Loan Agreement and other documents delivered by the Borrower and related parties to secure the timely payment of the principal of and interest on the Series 2011 Notes. The City Council of the City hereby authorizes and directs the Finance Officer to execute the Series 2011 Notes and hereby provides that the Series 2011 Notes shall provide the terms and conditions, covenants, rights, obligations, duties, and agreements of the owners of the Series 2011 Notes and the City as set forth therein.

All of the provisions of the Series 2011 Notes, when executed as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The forms of the Series 2011 Notes now on file with the City are hereby approved, with such necessary and appropriate variations, omissions, and insertions as the Finance Officer of the City, in his discretion, shall determine (including changes to the aggregate principal amount of each of the Series 2011 Notes (subject to an aggregate principal amount not to exceed \$28,000,000), the stated maturities of the Series 2011 Notes, the interest rates on the Series 2011 Notes, the terms of the security and the sources of payment for the Series 2011 Notes, and the terms of redemption of the Series 2011 Notes). The execution of the Series 2011 Notes with the manual or facsimile signature of the Finance Officer and the delivery of the Series 2011 Notes by the City shall be conclusive evidence of such determination.

8. THE LOAN AGREEMENT. The Finance Officer is hereby authorized and directed to execute and deliver the Loan Agreement. The loan repayments to be made by the Borrower under the Loan Agreement are to be fixed so as to produce revenues sufficient to pay the principal of, premium, if any, and interest on the Series 2011 Notes when due. All of the provisions of the Loan Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Loan Agreement shall be substantially in the form on file with the City which is hereby approved, with such omissions and insertions as do not materially change the substance thereof, and as the Finance Officer, in his discretion, shall determine, and the execution thereof by the Finance Officer shall be conclusive evidence of such determinations. In the discretion of the Finance Officer, with the approval of the City Attorney and Kennedy & Graven, Chartered, as bond counsel to the City ("Bond Counsel"), a separate loan agreement may be prepared for each of the Series 2011 Notes in order to more conveniently and expeditiously provide for the separate security and sources of payment for each of the Series 2011 Notes. Each such loan agreement shall be substantially in the form of the Loan Agreement with such amendments as the Finance Officer, in his discretion, shall determine, and the execution of each loan agreement by the Finance Officer shall be conclusive evidence of such determinations.

9. THE ASSIGNMENT. Except for certain reserved rights, the interests of the City in the Loan Agreement (or the separate loan agreements) will be assigned to the owner or owners of the Series 2011 Notes (individually or collectively, the "Lender") pursuant to the terms of an Assignment of Loan Agreement, dated on or after October 1, 2011 (the "Assignment"), between the City, the Borrower, and the Lender. The Assignment shall be substantially in the form on file with the City which is hereby approved, with such omissions and insertions as do not materially change the substance thereof, or as the Finance Officer, in his discretion, shall determine, and the execution thereof by the Finance Officer shall be

conclusive evidence of such determinations. All of the provisions of the Assignment, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. In the discretion of the Finance Officer, with the approval of the City Attorney and Bond Counsel, if separate loan agreements are prepared and executed with respect to each of the Series 2011 Notes in accordance with the terms of Section 8 hereof, a separate assignment of loan agreement may be prepared for each of such loan agreements in order to more conveniently and expeditiously provide for the assignment of the interests of the City in such loan agreements to each Lender for each of the Series 2011 Notes. Each such assignment of loan agreement shall be substantially in the form of the Assignment with such amendments as the Finance Officer, in his discretion, shall determine, and the execution of each assignment of loan agreement by the Finance Officer shall be conclusive evidence of such determinations.

10. SECURITY. The City hereby approves the execution by the Borrower and delivery to the Lender of: (i) a mortgage document granting a mortgage lien on the Project to the City to be assigned by the City to the Lender; (ii) one or more collateral assignments of the contracts between the Borrower and the architect and contractor with respect to the Project; (iii) one or more environmental indemnity agreements; and (iv) other security documents that are intended to secure timely payment of the Loan and the Series 2011 Notes. The City hereby approves the execution and delivery by one or more guarantors to the Lender of one or more guaranty agreements pursuant to which the obligations of the Borrower under the Loan Agreement are guaranteed by such guarantors. The City hereby approves a disbursing agreement, between the Borrower, the Lender, and a disbursing agent to be selected by the Borrower and the Lender, to provide for the disbursement of the proceeds of the Series 2011 Notes and the Loan. All such security documents shall be substantially in the forms agreed to by the Borrower, the Lender, and the guarantors.

11. THE REGULATORY AGREEMENT. To ensure continuing compliance with certain rental and occupancy restrictions imposed by the Housing Act and Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"), and to ensure continuing compliance with certain restrictions imposed by the City, the Finance Officer is hereby authorized and directed to execute and deliver a Regulatory Agreement, dated on or after October 1, 2011 (the "Regulatory Agreement"), between the Borrower and the Lender. The Regulatory Agreement shall be substantially in the form on file with the City which is hereby approved, with such omissions and insertions as do not materially change the substance thereof, or as the Finance Officer, in his discretion, shall determine, and the execution thereof by the Finance Officer shall be conclusive evidence of such determinations. All of the provisions of the Regulatory Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof.

12. OTHER CITY DOCUMENTS. The Finance Officer is hereby authorized to execute and deliver, on behalf of the City, such other documents and certificates as are necessary or appropriate in connection with the issuance, sale, and delivery of the Series 2011 Notes, including an assignment of mortgage, dated on or after October 1, 2011, from the City to the Lender, one or more consents to the assignments of a development agreement, tax increment revenues, and other funds made available to the Borrower and the Project by the City, various certificates of the City, an Information Return for Tax-Exempt Private Activity Bond Issues, Form 8038, with respect to the Series 2011 Notes, a

certificate as to arbitrage and rebate, and similar documents, and all other documents and certificates as the Finance Officer shall deem to be necessary or appropriate in connection with the issuance, sale, and delivery of the Series 2011 Notes. The City hereby authorizes Bond Counsel to prepare, execute, and deliver its approving legal opinions with respect to the Series 2011 Notes.

13. **DISCLOSURE DOCUMENTS.** The City will not participate in the preparation of an official statement or other disclosure document relating to the offer and sale of the Series 2011 Notes (the "Disclosure Document"), and will make no independent investigation with respect to the information contained in the Disclosure Document, including the appendices thereto, and the City assumes no responsibility for the sufficiency, accuracy, or completeness of such information. As a condition to the execution and delivery of the Series 2011 Notes, the Finance Officer may require the receipt from the Lender of an investment letter containing such terms, covenants, representations, and warranties as the Finance Officer, with the advice of the City Attorney and Bond Counsel, shall deem necessary or appropriate.

14. **SUBSEQUENT AMENDMENTS.** On any date subsequent to the date of issuance of the Series 2011 Notes, the Finance Officer is hereby authorized to execute and deliver any amendments or supplements to any of the documents referred to in this resolution on behalf of the City if, after review by the City Attorney and Bond Counsel, the Finance Officer determines that the execution and delivery of such amendment or supplement is in the interests of the City. The Finance Officer may impose any terms or conditions on his execution and delivery of any such amendment or supplement as the Finance Officer deems appropriate.

15. **LIMITATIONS OF LIABILITY.** 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 Series 2011 Notes shall be personally liable on the Series 2011 Notes 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 Series 2011 Notes, or in any other document relating to the Series 2011 Notes, and no obligation therein or herein imposed upon the City or the breach thereof, shall constitute or give rise to a general or moral obligation of the City or 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 Loan Agreement, which are to be applied to the payment of the Series 2011 Notes, as provided therein.

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, and any holders of the Series 2011 Notes issued under the provisions of this resolution, any right, remedy or claim, legal or equitable, under and by reason of this resolution or any provisions 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, the Borrower, and Lender from time to time of the Series 2011 Notes issued under the provisions of this resolution.

16. **SEVERABILITY.** In case any one or more of the provisions of this resolution, other than the provisions limiting the liability of the City, or of the aforementioned

documents, or of the Series 2011 Notes 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 Series 2011 Notes, but this resolution, the aforementioned documents, and the Series 2011 Notes shall be construed and endorsed as if such illegal or invalid provisions had not been contained therein.

17. VALIDITY OF THE SERIES 2011 NOTES. The Series 2011 Notes, when executed and delivered, shall contain a recital that they are issued pursuant to the Housing Act, and such recital shall be conclusive evidence of the validity of the Series 2011 Notes 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 Series 2011 Notes, and to the execution of the aforementioned documents to happen, exist, and be performed precedent to the execution of the aforementioned documents have happened, exist, and have been performed as so required by law.

18. ADDITIONAL ACTIONS. The officers of the City, the City Attorney, Bond Counsel, other attorneys, engineers, and other agents or employees of the City are hereby authorized to do all acts and things required of them by or in connection with this resolution, the aforementioned documents, and the Series 2011 Notes, for the full, punctual, and complete performance of all the terms, covenants, and agreements contained in the Series 2011 Notes, the aforementioned documents, and this resolution.

19. DESIGNATION AS PROGRAM BONDS. The Series 2011 Notes 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 1997R-402 of the City adopted December 12, 1997.

20. FEES AND INDEMNIFICATION. The Borrower has agreed to pay the administrative fees of the City in accordance with the policy and procedures of the City. It is hereby determined that any and all costs incurred by the City in connection with the financing of the Project will be paid by the Borrower. It is understood and agreed by the Borrower that the Borrower shall indemnify the City against all liabilities, losses, damages, costs, and expenses (including attorney's fees and expenses incurred by the City) arising with respect to the Project or the Series 2011 Notes, as provided for and agreed to by and between the Borrower and the City in the Loan Agreement.

21. EFFECTIVE DATE. This resolution shall take effect and be in force from and after its approval and publication. Pursuant to Chapter 4, Section 9, of the Charter of the City, only the title of this resolution and a summary of this resolution conforming to Minnesota Statutes, Section 331A.01, subdivision 10, shall be published in the official paper of the City.