

Relating to the tax increment financing of public improvements with respect to the Lake Street Center Tax Increment Finance District; authorizing the sale and issuance of General Obligation Tax Increment Bonds, Series 2004, or Taxable Tax Increment Revenue Notes (Midtown Exchange Project), Series 2004, or Tax Increment Revenue Bonds (Midtown Exchange Project), Series 2004, in the original aggregate principal amount of up to \$3,500,000; providing the forms, terms, pledge of tax increment revenues, and findings, covenants, and directions relating to the issuance of such obligations

RESOLVED BY THE CITY COUNCIL OF THE CITY OF MINNEAPOLIS:

#### SECTION 1. BACKGROUND.

1.01. Pursuant to Resolution No. 2002R-300, adopted by the City Council of the City of Minneapolis (the “City”) on September 13, 2002, the City established the Lake Street Center Redevelopment Project (the “Project”) and the Lake Street Center Redevelopment Tax Increment Finance District (the “District”). The Project and the District were established pursuant to authority granted by Minnesota Statutes, Sections 469.001 through 469.134, Sections 469.174 through 469.179, as amended, Laws of Minnesota 1971, Chapter 677, and Laws of Minnesota 1998, Chapter 389. Pursuant to Resolution No. 2002-2644M, adopted by the Board of Commissioners of the Minneapolis Community Development Agency (the “Agency”) on September 13, 2002, the Agency approved the Lake Street Center Redevelopment Plan (the “Redevelopment Plan”) with respect to the Project and the Lake Street Center Tax Increment Finance Plan (the “TIF Plan”) with respect to the District. Pursuant to Resolution No. 2002R-300, the City Council of the City approved the Redevelopment Plan and the TIF Plan.

1.02. In order to provide for the redevelopment of the Project and the District and, specifically, to provide for the redevelopment of one of the existing buildings located in the District at the corner of Lake Street East and Tenth Avenue South, referred to generally as the 1928 Building, the City is proposing to enter into a redevelopment contract with Ryan Companies US, Inc., a portion of which is proposed to be assigned to one or more other sub-developers, including Sherman Associates (collectively, the “Developer”), to provide for the construction of approximately 88 ownership housing units within the 1928 Building (the “Development”).

1.03. Pursuant to Minnesota Statutes, Sections 469.174 to 469.179, as amended (the “Tax Increment Act”), and Minnesota Statutes, Chapter 475, as amended (the “Municipal Debt Act”), the City is authorized to issue and sell its general obligation bonds or notes for the purpose of financing public redevelopment costs in a redevelopment project and to pledge tax increment revenues derived from a tax increment financing district established within the redevelopment project to the payment of the principal of and interest on such obligations. Pursuant to the terms of Section 475.58, subdivision 1, of the Municipal Debt Act, no election is required as a condition to the issuance of such general obligation bonds because the City Council has determined, and hereby affirms, that not less than twenty percent of the public redevelopment costs for the development in the District is estimated to be received from the tax increment revenues derived from the District. Pursuant to applicable provisions of the Tax Increment Act, the City is authorized to issue and sell its revenue bonds or notes for the purpose of financing public redevelopment costs in a redevelopment project and to pledge tax increment revenues derived from a tax increment financing district established within the redevelopment project to the payment of the principal of and interest on such obligations.

1.04. Definitions. Unless the context otherwise requires, the terms defined in Section 1.01-1.03 of this Resolution (as defined below) and in this Section 1.04 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:

“Code” means the Internal Revenue Code of 1986, as amended, and 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.

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

## SECTION 2. ISSUANCE OF OBLIGATIONS.

2.01. In order to finance all or any portion of the public redevelopment costs to be paid or incurred by the City with respect to the Project, the District, and the Development, there is hereby authorized to be issued by the City the following obligations: (i) General Obligation Tax Increment Bonds, Series 2004 (the “General Obligation Bonds”); (ii) Taxable Tax Increment Revenue Notes (Midtown Exchange Project), Series 2004 (the “Revenue Notes”); or (iii) Tax Increment Revenue Bonds (Midtown Exchange Project), Series 2004 (the “Revenue Bonds”). The General Obligation Bonds, the Revenue Notes, and the Revenue Bonds are hereinafter referred to collectively as the “Obligations.” The Revenue Notes and the Revenue Bonds are hereinafter referred to collectively as the “Revenue Obligations.”

2.02. The maximum aggregate principal amount of the Obligations that may be outstanding at any time is limited to \$3,500,000; provided, however, that the outstanding aggregate principal amount of the Obligations may exceed \$3,500,000 if the amount in excess of \$3,500,000 is attributable to Obligations issued to refund outstanding Obligations previously issued by the City. The public redevelopment costs with respect to the Project, the District, and the Development may be financed solely with the proceeds of the General Obligation Bonds, or solely with the proceeds of the Revenue Obligations, or may be financed in part with the proceeds of the General Obligation Bonds and in part with the proceeds of the Revenue Obligations.

## SECTION 3. TERMS AND FORM OF GENERAL OBLIGATION BONDS.

3.01. General Obligation Bond Terms. Subject to the limitations set forth in Section 2 of this Resolution, the General Obligation Bonds are authorized to be issued in accordance with the terms of this Resolution. The General Obligation Bonds shall be designated “General Obligation Tax Increment Bonds,” shall be issued in one or more 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. In the event any portion of the General Obligation Bonds are to be issued as obligations the interest on which is includable in gross income for federal and State of Minnesota income tax purposes, such General Obligation Bonds shall be issued as a series separate from any series of General Obligation Bonds the

interest on which is not includable in gross income for federal and State of Minnesota income tax purposes and shall be designated "Taxable General Obligation Tax Increment Bonds." Any series of General Obligation Bonds may be designated such other name or names as determined to be appropriate by the Finance Officer. The General Obligation Bonds shall be dated March 1, 2006, or 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 General Obligation Bonds shall be issued in the original aggregate principal amount of \$3,500,000, or such lesser amount as the Finance Officer shall determine to be necessary and appropriate to finance the public redevelopment costs for which the General Obligation Bonds are to be issued. The General Obligation Bonds shall bear interest at the rates per annum approved by the Finance Officer in connection with the sale thereof, payable semiannually on August 1 and February 1 of each year, or such other dates determined by the Finance Officer, commencing on August 1, 2006, or such other date determined by the Finance Officer, from the date of the General Obligation 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 principal of the General Obligation 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 Municipal Debt Act (determined, if necessary, by combining such maturities with those of other obligations of the City). The Finance Officer may determine to designate any portion of the principal of the General Obligation Bonds to be combined into one or more term General Obligation Bonds subject to mandatory sinking fund redemptions in the years and amounts determined by the Finance Officer.

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

Thirty days prior to any redemption date, notice of any such redemption shall be given by mail to the banks where the General Obligation Bonds are payable and to the registered owners, in accordance with the terms of the Municipal Debt Act. In the event of a partial redemption by lot of the General Obligation Bonds, the Bond Registrar shall assign to each General Obligation Bond then outstanding a distinctive number for each \$5,000 of the principal amount of such General Obligation Bonds and shall select by lot in the manner it determines the order of numbers, at \$5,000 for each number, for all outstanding General Obligation Bonds of the maturity to be redeemed. The order of selection of General Obligation Bonds to be redeemed shall be the General Obligation Bonds to which were assigned numbers so selected, but only so much of the principal amount of each General Obligation 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 General Obligation Bond, the same shall be surrendered in exchange for one or more new General Obligation Bonds in authorized form for the unredeemed portion of principal. The method of selecting General Obligation Bonds for optional redemption may be altered in such manner as the Finance Officer shall determine to be necessary and appropriate in the interests of the City and the owners of the General Obligation Bonds.

3.02. Method of Payment; Bond Registrar and Paying Agent. The General Obligation 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 General Obligation 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 General Obligation 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 General Obligation 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.

3.03. Bond Form. The General Obligation Bonds shall be in substantially the following form 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:

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(Form of General Obligation Bonds)

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF HENNEPIN

No. R-\_\_\_\_\_

\$\_\_\_\_\_

CITY OF MINNEAPOLIS  
GENERAL OBLIGATION TAX INCREMENT BOND  
SERIES 2004

Interest Rate	Maturity	Date of Original Issue	CUSIP
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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 sum at the interest rate specified above from \_\_\_\_\_, or the most recent interest payment date to which interest has been paid or duly provided for as specified below, on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 of each year, commencing \_\_\_\_\_, until said principal sum 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 469.1799, as amended, and Minnesota Statutes, Chapter 475, as amended (collectively, the “Act”), for the purpose of financing and refinancing the public redevelopment costs for the development and redevelopment of the Lake Street Center Redevelopment Project and the Lake Street Center Redevelopment Tax Increment Finance District (the “District”) 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 for such purposes. In addition to such pledge of tax increment revenues, 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 the principal of and interest on the Bonds 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 \_\_\_\_\_, are subject to redemption at the option of the City, in whole or in part in such order as the City may determine, on \_\_\_\_\_, 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.

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 issued 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.

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In witness whereof, the City, acting by and through its City Council, has caused this Bond to be executed with the manual or facsimile signature of its Finance Officer 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)

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

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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:

\_\_\_\_\_  
Signatures must be guaranteed by a national  
bank or trust company, or by a brokerage firm  
which is a member of a major stock exchange.

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3.04. Registration. As long as any of the General Obligation Bonds issued hereunder shall remain outstanding, the City shall maintain and keep at the office of the Bond Registrar an office or agency for the payment of the principal of and interest on such General Obligation Bonds, as in this Resolution provided, and for the registration and transfer of such General Obligation Bonds, and shall also keep at said office of the Bond Registrar books for such registration and transfer. Upon surrender for transfer of any General Obligation 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 General Obligation Bonds of the same series, of any authorized denominations and of a like aggregate principal amount, interest rate and maturity. Any General Obligation Bonds, upon surrender thereof at the office of the Bond Registrar may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of General Obligation Bonds of the same maturity and interest rate of any authorized denominations. In all cases in which the privilege of exchanging General Obligation Bonds or transferring fully registered General Obligation Bonds is exercised, the City shall execute and the Bond Registrar shall deliver General Obligation Bonds in accordance with the provisions of this Resolution. For every such exchange or transfer of General Obligation 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 General Obligation 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 General Obligation 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 first publication or the mailing (if there is no publication) of notice of redemption in the case of a proposed redemption of General Obligation Bonds.

3.05. Record Dates. Interest on any General Obligation 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 General Obligation Bond (or one or more General Obligation 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 General Obligation Bond which is payable, but is not punctually paid or duly provided for, on any interest payment date shall 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 General Obligation 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 General Obligation Bond delivered under this Resolution upon transfer of or in exchange for or in lieu of any other General Obligation Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other General Obligation Bond and each such General Obligation Bond shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

3.06. General Obligation Bonds Mutilated, Destroyed, Stolen or Lost. In case any General Obligation Bond shall become mutilated or be destroyed, stolen or lost, the City shall execute and the Bond Registrar shall authenticate and deliver a new General Obligation Bond of like maturity and principal amount as the General Obligation Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated General Obligation Bond, upon surrender and cancellation of such mutilated General Obligation Bond, or in lieu of and substitution for the General Obligation Bond destroyed, stolen or lost, upon filing with the City evidence satisfactory to the City and the Bond Registrar that such General Obligation 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 General Obligation Bonds so surrendered to the Bond Registrar shall be cancelled by it and evidence of such cancellation shall be given to the City.

3.07. Owners. As to any General Obligation Bond, the City and the Bond Registrar and their respective successors, each in its discretion, may deem and treat the person in whose name such General Obligation Bond 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 General Obligation 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 General Obligation Bond to the extent of the sum or sums so paid.

3.08. Use of Securities Depository; Book-Entry Only System. The provisions of this Section shall take precedence over the provisions of Sections 3.01 through 3.07 hereof to the extent they are inconsistent therewith.

(a) The Depository Trust Company (“DTC”) has agreed to act as securities depository for the General Obligation Bonds, and to provide a Book-Entry Only System for registering the ownership interests of the financial institutions for which it holds the General Obligation Bonds (the “DTC Participants”), and for distributing to such DTC Participants such amount of the principal and interest payments on the General Obligation Bonds as they are entitled to receive, for redistribution to the beneficial owners of the General Obligation 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 General Obligation 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 General Obligation 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 General Obligation Bonds registered in the name of DTC 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 General Obligation 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 General Obligation 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 General

Obligation Bonds. The Bond Registrar shall pay all principal of and interest on the General Obligation 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 General Obligation 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 General Obligation Bond.

(c) Upon receipt by the City and the Bond Registrar of written notice from DTC or any other 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 General Obligation 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 General Obligation Bonds; or (ii) to make available General Obligation Bonds registered in whatever name or names the Beneficial Owner registering ownership, transferring or exchanging such General Obligation 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 General Obligation 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 General Obligation Bonds. In such event, the City shall cause to be prepared and the Bond Registrar shall issue, transfer and exchange printed General Obligation 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 General Obligation Bonds registered on the Bond Register in whatever name or names the Beneficial Owners entitled to receive General Obligation 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 General Obligation Bond is registered in the name of a securities depository or its nominee, all payments of principal and interest on the General Obligation Bond and all notices with respect to the General Obligation 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 General Obligation 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 General Obligation 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 General Obligation 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 General Obligation Bonds through the securities depository. Nothing herein shall affect the securities depository's rights under clause (e) above.

#### SECTION 4. SALE, EXECUTION, AND DELIVERY OF GENERAL OBLIGATION BONDS AND RELATED DOCUMENTS

4.01. Method of Sale. Authority to negotiate the sale and issuance of the General Obligation Bonds is hereby delegated to the Finance Officer under Section 475.60, subdivision 1, of the Municipal Debt Act; provided that each series of General Obligation Bonds shall be sold only at a price of not less than ninety-eight percent of the principal amount of such series of General Obligation Bonds, and the General Obligation Bonds shall bear interest at the rates specified by the successful proposal. In connection with the sale of the General Obligation 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 and any unused issuance costs shall be deposited in the Debt Service Account or applied to such other purposes as determined to be appropriate by the Finance Officer.

4.02. Execution and Delivery. The General Obligation Bonds shall be executed by the manual or facsimile signature of the Finance Officer and a facsimile of the corporate seal of the City shall be included as set forth in the form of General Obligation Bond. The text of the approving legal opinion of Kennedy & Graven, Chartered, of Minneapolis, Minnesota, as bond counsel, may be printed on or accompany the delivery of each General Obligation Bond. When the General Obligation Bonds have been duly executed and authenticated by the Bond Registrar in accordance with this Resolution, the General Obligation Bonds 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 General Obligation Bonds shall not be valid for any purpose until authenticated by the Bond Registrar, which is hereby appointed authenticating agent in accordance with the Municipal Debt Act.

4.03. Official Statement. The Finance Officer shall cause an Official Statement relating to the General Obligation Bonds and any appropriate addendums to such Official Statement to be prepared (collectively, the "Official Statement"), and the use thereof by the purchasers is approved.

4.04. Certificates. If such officer finds the same to be accurate, 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 General Obligation 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 General Obligation Bonds. With respect to any series of General Obligation Bonds to be issued as obligations the interest on which is not includable in gross income for federal and State of Minnesota income tax purposes, the Finance Officer shall also execute and deliver an arbitrage certificate meeting the requirements of the arbitrage regulations under Section 148 of the Code and shall deliver the signed approving legal opinion of Kennedy & Graven, Chartered, as to the validity and enforceability of the General Obligation 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. With respect to any series of General Obligation Bonds to be issued as obligations the interest on which is includable in gross income for federal and State of Minnesota income tax purposes, the Finance Officer shall deliver the signed approving legal opinion of Kennedy & Graven, Chartered, as to the validity and enforceability of the General Obligation Bonds.

## SECTION 5. APPLICATION OF PROCEEDS OF GENERAL OBLIGATION BONDS.

5.01. Appropriation of Funds. The proceeds of the General Obligation Bonds are hereby appropriated as follows: (i) any accrued interest shall be deposited in the Debt Service Account; (ii) an amount sufficient to pay the public development costs with respect to the development and redevelopment of the Development, the Project, and the District shall be set aside and applied to such purpose; and (iii) an amount sufficient to pay the costs of issuing the General Obligation Bonds shall be set aside and applied to such purpose. Any remaining proceeds of the General Obligation Bonds shall be applied to purposes of the City determined and designated by the Finance Officer.

## SECTION 6. COVENANTS OF THE CITY.

6.01. Debt Service Account. There is hereby established a separate Debt Service Account for payment of principal of, premium, if any, and interest on the General Obligation 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 derived from the District to the payment of the principal of and interest on the General Obligation 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 of the District 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 General Obligation 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 (and which 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 for such purposes. The City may pledge or apply the tax increment revenues to existing or future obligations of the City on a parity or priority basis with the General Obligation Bonds.

6.02. 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 General Obligation 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 General Obligation Bonds under Section 6.01 will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the General Obligation 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 General Obligation 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 General Obligation Bonds in such subsequent year and at least five percent in excess thereof.

6.03. Private Activity Bond Covenant. With respect to any series of General Obligation Bonds to be issued as obligations the interest on which is not includable in gross income for federal and State of

Minnesota income tax purposes, the City makes the covenants set forth in this Section 6.03. 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 each such series of General Obligation Bonds or any related activity which would cause any such series of General Obligation Bonds to be deemed to be “private activity bonds,” within the meaning of Section 141 of the Code. The City shall take all such action as may be required under the Code to ensure that interest on each such series of General Obligation Bonds is not and does not become includable in gross income for federal income tax purposes.

6.04. Arbitrage Covenant. With respect to any series of General Obligation Bonds to be issued as obligations the interest on which is not includable in gross income for federal and State of Minnesota income tax purposes, the City makes the covenants set forth in this Section 6.04. The City covenants and agrees with the purchasers and holders of each such series of General Obligation Bonds that the investments of the “gross proceeds” of each such series of General Obligation Bonds, including the investment of any revenues pledged to the General Obligation Bonds which are considered “gross proceeds” under Section 148 of the Code and the applicable Treasury Regulations promulgated thereunder, and accumulated sinking funds, if any, shall be limited as to amount and yield in such manner that each such series of General Obligation Bonds shall not be deemed to be “arbitrage bonds” within the meaning of Section 148 of the Code and applicable Treasury Regulations promulgated thereunder. 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 any such series of General Obligation Bonds will be used in such manner as to cause any such series of General Obligation Bonds to be “arbitrage bonds” under Section 148 of the Code and applicable Treasury Regulations promulgated thereunder. 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 any series of General Obligation Bonds to be issued as obligations the interest on which is not includable in gross income for federal and State of Minnesota income tax purposes, 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.

## SECTION 7. MISCELLANEOUS MATTERS RELATING TO GENERAL OBLIGATION BONDS.

7.01. Registration. The Finance Officer or City Clerk are 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 Municipal Debt Act, and to obtain a certificate as to registration of the General Obligation Bonds.

7.02. 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 General Obligation Bonds, on behalf of the purchasers of the General Obligation 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 General Obligation Bonds, and the right and authority of the City to issue the General Obligation Bonds, and all such certified copies and certifications shall be deemed representations of fact on the part of the City.

## SECTION 8. TERMS AND FORM OF REVENUE NOTES AND RELATED DOCUMENTS.

8.01. Issuance of Revenue Notes. Subject to the limitations set forth in Section 2 of this Resolution, the City Council hereby authorizes the issuance of tax increment revenue notes to be designated as the “Taxable Tax Increment Revenue Notes (Midtown Exchange Project), Series 2004 (the

“Revenue Notes”), in a principal amount not to exceed \$3,500,000. The Revenue Notes may be issued on such date and upon the terms and conditions determined by the Finance Officer. The Revenue Notes may be designated such other name or names as determined to be appropriate by the Finance Officer. The Revenue Notes may be issued in one or more series as the Finance Officer may determine, and may be assigned a separate series designation determined by the Finance Officer for each series issued by the City. The Revenue Notes may be issued as obligations the interest on which is includable in gross income for federal and State of Minnesota income tax purposes. This authorization to issue the Revenue Notes is effective without any additional action of the City Council and shall be undertaken by the Finance Officer on such date or dates and upon the terms and conditions deemed reasonable by the Finance Officer. The City Council hereby authorizes the sale of the Revenue Notes with the assistance of a placement agent hereinafter selected by the Finance Officer (the “Placement Agent”). The City shall sell the Revenue Notes to the purchasers to whom the Placement Agent has placed the Revenue Notes (the “Purchasers”) in accordance with the terms of a Private Placement Agreement between the City and the Placement Agent and/or the Purchasers (the “Private Placement Agreement”).

8.02. Terms of Revenue Notes. The Revenue Notes shall have the maturities, interest rate provisions, shall be dated, numbered, and issued in such denominations, shall be subject to mandatory and optional redemptions and prepayment prior to maturity, shall be executed, sealed, and authenticated in such manner, shall be in such form, and shall have such other details and provisions as are prescribed in the form of the Revenue Notes and in the Private Placement Agreement. The Finance Officer is authorized to approve the original aggregate principal amount of each series of Revenue Notes to be issued under the terms of this Resolution (subject to the maximum aggregate principal amount for all series authorized by this Resolution), to establish the terms of redemption, the principal amounts subject to redemption, and the dates of redemption of the Revenue Notes, and to approve other changes to the other terms of the Revenue Notes which are deemed by the Finance Officer to be in the best interests of the City. The issuance and delivery of the Revenue Notes shall be conclusive evidence that the Finance Officer has approved the terms and provisions of the Revenue Notes in accordance with the authority granted by this Resolution. The proceeds derived from the sale of the Revenue Notes, and the earnings derived from the investment of such proceeds, shall be held, transferred, expended, and invested in accordance with determinations of the Finance Officer.

8.03. Revenue Note Documents. There shall be prepared, executed and delivered in conjunction with the issuance of the Revenue Notes, in the discretion of the Finance Officer, the following documents: (i) the Revenue Notes; (ii) a Guaranty Agreement (the “Guaranty”) to be executed by the guarantor or guarantors approved by the Finance Officer (the “Guarantor”); (iii) an Assessment Agreement (the “Assessment Agreement”), to be executed by the City, the Developer and certain owners of the housing units comprising the Development; (iv) the Private Placement Agreement; and (v) such other instruments or documents deemed necessary or appropriate by the Finance Officer with respect to the issuance of, or security for, the Revenue Notes. The Revenue Notes, the Guaranty, the Assessment Agreement, the Private Placement Agreement, and such other instruments or documents are hereby authorized to be approved by the Finance Officer, subject to such changes not inconsistent with this Resolution and applicable law.

8.04. Security for the Revenue Notes. The Revenue Notes shall be secured by the terms of this Resolution, the Revenue Notes, the Assessment Agreement, and the Guaranty and shall be payable solely from Available Tax Increments (as defined in the Revenue Notes) that are expressly pledged to the payment of the Revenue Notes pursuant to the terms of the Revenue Notes, or from payments made by the Guarantor pursuant to the terms of the Guaranty.

8.05. Special Obligations. It is hereby found, determined and declared that the issuance and sale of the Revenue Notes, the execution and delivery by the City of the Revenue Notes, Private Placement Agreement, and the Assessment Agreement (the “City Note Documents”), and the performance of all covenants and agreements of the City contained in the City Note Documents, and of all other acts required under the Constitution and laws of the State of Minnesota to make the Revenue Notes the valid and binding special obligations of the City enforceable in accordance with their terms, are authorized by applicable Minnesota law, including, without limitation, the Tax Increment Act and this Resolution.

8.06. Limited Obligations. Under the provisions of the Tax Increment Act, and as provided under the terms of the Revenue Notes, the Revenue Notes are not to be payable from or chargeable against any funds other than the revenues and assets pledged to the payment thereof; the City shall not be subject to any liability thereon other than from such revenues and assets pledged thereto; no holder of any Revenue Notes shall ever have the right to compel any exercise by the City of its taxing powers (other than as contemplated by the pledge of tax increment revenues under the terms of the Revenue Notes) to pay the principal of, premium, if any, and interest on the Revenue Notes, or to enforce payment thereof against any property of the City other than the property expressly pledged thereto; the Revenue Notes shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the City other than the revenues or assets expressly pledged thereto; the Revenue Notes shall recite that the Revenue Notes are issued without a pledge of the general or moral obligation of the City, and that the Revenue Notes, including interest thereon, are payable solely from the revenues and assets pledged to the payment thereof; and the Revenue Notes shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation of indebtedness.

## SECTION 9. TERMS AND FORM OF REVENUE BONDS AND RELATED DOCUMENTS.

9.01. Issuance of Revenue Bonds. Subject to the limitations set forth in Section 2 of this Resolution, the City Council hereby authorizes the issuance of tax increment revenue bonds to be designated as the “Tax Increment Revenue Bonds (Midtown Exchange Project), Series 2004 (the “Revenue Bonds”), in a principal amount not to exceed \$3,500,000. The proceeds of the Revenue Bonds may be applied to the redemption and prepayment of Revenue Notes, if Revenue Notes were issued to finance the public redevelopment costs of the Development, or the proceeds of the Revenue Bonds may be directly applied to pay or reimburse the public redevelopment costs of the Development. The Revenue Bonds shall be issued on such date and upon the terms and conditions determined by the Finance Officer of the City (the “Finance Officer”). The Revenue Bonds may be designated such other name or names as determined to be appropriate by the Finance Officer. The Revenue Bonds may be issued in one or more 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 Revenue Bonds are authorized to be issued as obligations the interest on which is not includable in gross income for federal and State of Minnesota income tax purposes. This authorization to issue the Revenue Bonds is effective without any additional action of the City Council and shall be undertaken by the Finance Officer on such date or dates and upon the terms and conditions deemed reasonable by the Finance Officer. The City Council hereby authorizes the sale of the Revenue Bonds to the underwriter hereinafter selected by the Finance Officer to purchase the Revenue Bonds (the “Underwriter”) upon the offer of the Underwriter to purchase the Revenue Bonds in accordance with the terms of a Bond Purchase Agreement between the City and the Underwriter (the “Bond Purchase Agreement”).

9.02. Revenue Bond Documents. There shall be prepared, executed, and delivered in conjunction with the issuance of the Revenue Bonds, in the discretion of the Finance Officer, the

following documents: (i) an Indenture of Trust (the “Indenture”), between the City and a financial institution selected by the Finance Officer to act as trustee with respect to the Revenue Bonds (the “Trustee”); (ii) the Bond Purchase Agreement; and (iii) such other instruments or documents deemed necessary or appropriate by the Finance Officer with respect to the issuance of, or security for, the Revenue Bonds. The Indenture, the Bond Purchase Agreement, and such other instruments or documents are hereby authorized to be approved by the Finance Officer, subject to such changes not inconsistent with this Resolution and applicable law. The Revenue Bonds shall be secured by the terms of the Indenture and shall be payable solely from Available Tax Increments (as defined in the Indenture) that are expressly pledged to the payment of the Revenue Bonds pursuant to the terms of the Indenture.

9.03. Terms of Revenue Bonds. The Revenue Bonds shall have the maturities, interest rate provisions, shall be dated, numbered, and issued in such denominations, shall be subject to mandatory and optional redemptions and prepayment prior to maturity, shall be executed, sealed, and authenticated in such manner, shall be in such form, and shall have such other details and provisions as are prescribed in the Indenture. The forms of the Revenue Bonds shall be included in the Indenture and shall be prepared in substantially such forms in the Indenture, subject to changes not inconsistent with this Resolution and applicable law, and subject to such changes that are approved by the Finance Officer. Without limiting the generality of the foregoing, the Finance Officer is authorized to approve the original aggregate principal amount of each series of Revenue Bonds to be issued under the terms of this Resolution (subject to the maximum aggregate principal amount for all series authorized by this Resolution), to establish the terms of redemption, the principal amounts subject to redemption, and the dates of redemption of the Revenue Bonds, and to approve other changes to the other terms of the Revenue Bonds which are deemed by the Finance Officer to be in the best interests of the City. The issuance and delivery of the Revenue Bonds shall be conclusive evidence that the Finance Officer has approved the terms and provisions of the Revenue Bonds in accordance with the authority granted by this Resolution. The proceeds derived from the sale of the Revenue Bonds, and the earnings derived from the investment of such proceeds, shall be held, transferred, expended, and invested in accordance with determinations of the Finance Officer.

9.04. Special Obligations. It is hereby found, determined and declared that the issuance and sale of the Revenue Bonds, the execution and delivery by the City of the Indenture and the Bond Purchase Agreement (the “City Bond Documents”), and the performance of all covenants and agreements of the City contained in the City Bond Documents, and of all other acts required under the Constitution and laws of the State of Minnesota to make the Revenue Bonds the valid and binding special obligations of the City enforceable in accordance with their terms, are authorized by applicable Minnesota law, including, without limitation, the Tax Increment Act and this Resolution.

9.05. Limited Obligations. Under the provisions of the Tax Increment Act, and as provided in the Indenture and under the terms of the Revenue Bonds, the Revenue Bonds are not to be payable from or chargeable against any funds other than the revenues and assets pledged to the payment thereof; the City shall not be subject to any liability thereon other than from such revenues and assets pledged thereto; no holder of any Revenue Bonds shall ever have the right to compel any exercise by the City of its taxing powers (other than as contemplated by the pledge of tax increment revenues under the terms of the Indenture) to pay the principal of, premium, if any, and interest on the Revenue Bonds, or to enforce payment thereof against any property of the City other than the property expressly pledged thereto; the Revenue Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the City other than the revenues or assets expressly pledged thereto; the Revenue Bonds shall recite that the Revenue Bonds are issued without a pledge of the general or moral obligation of the City, and that the Revenue Bonds, including interest thereon, are payable solely from the revenues and assets pledged to the payment thereof; and the Revenue Bonds shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation of indebtedness.

9.06. Tax-exempt Status of Revenue Bonds. 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 Revenue Bonds or any related activity which would cause the Revenue Bonds to be deemed to be “private activity bonds,” within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the “Code”). 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 Revenue Bonds or any related activity which would cause the Revenue Bonds to be deemed to be “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 Revenue Bonds is not and does not become includable in gross income for federal income tax purposes.

#### SECTION 10. DISCLOSURE DOCUMENTS AND CLOSING DOCUMENTS WITH RESPECT TO REVENUE BONDS AND REVENUE NOTES.

10.01. Revenue Bonds Disclosure Documents. The preparation of one or more official statements or other forms of disclosure documents (the “Bond Disclosure Documents”) in conjunction with the offer and sale of the Revenue Bonds is hereby authorized. When approved by the Finance Officer of the City, the Bond Disclosure Documents are authorized to be distributed in conjunction with the offer and sale of the Revenue Bonds. In order to provide for continuing disclosure with respect to the Revenue Bonds, to the extent deemed necessary, required, or appropriate by the Finance Officer, the Finance Officer and the Trustee may execute and deliver an agreement or certificate providing for continuing disclosure with respect to the Revenue Bonds.

10.02. Revenue Notes Disclosure Documents. If the Revenue Notes are issued, the preparation of one or more official statements or other forms of disclosure documents (the “Note Disclosure Documents”) in conjunction with the offer and sale of the Revenue Notes is hereby authorized. When approved by the Finance Officer of the City, the Note Disclosure Documents are authorized to be distributed in conjunction with the offer and sale of the Revenue Notes. In order to provide for continuing disclosure with respect to the Revenue Notes, to the extent deemed necessary, required, or appropriate by the Finance Officer, the Finance Officer may execute and deliver a certificate providing for continuing disclosure with respect to the Revenue Notes.

10.03. Closing Documents with respect to Revenue Bonds. The Finance Officer is authorized to furnish to the purchasers of the Revenue Bonds, on the date of issuance and sale of the Revenue Bonds, a certificate that, to the best of the knowledge of such officer, each Bond Disclosure Document does not, as of the date of closing, and did not, as the time of sale of the Revenue Bonds, contain any untrue statement of a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. Unless litigation shall have been commenced and be pending questioning the Revenue Bonds, the proceedings for approval of the Revenue Bonds, tax increment revenues generated or collected for payment of the Revenue Bonds, revenues pledged for payment of the Revenue Bonds, or the organization of the City, or incumbency of its officers, at the respective closings, the Finance Officer shall also execute and deliver 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 Revenue Bonds, and the signed approving legal opinion of Kennedy & Graven, Chartered, as to the validity and enforceability of the Revenue Bonds and the tax-exempt status of interest on the Revenue Bonds.

10.04. Closing Documents with respect to Revenue Notes. If the Revenue Notes are issued, the Finance Officer is authorized to furnish to the purchasers of the Revenue Notes, on the date of issuance and sale of the Revenue Notes, a certificate that, to the best of the knowledge of such officer, each Note Disclosure Document does not, as of the date of closing, and did not, as the time of sale of the Revenue Notes, contain any untrue statement of a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. Unless litigation shall have been commenced and be pending questioning the Revenue Notes, the proceedings for approval of the Revenue Notes, tax increment revenues generated or collected for payment of the Revenue Notes, revenues pledged for payment of the Revenue Notes, or the organization of the City, or incumbency of its officers, at the respective closings, the Finance Officer shall also execute and deliver 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 Revenue Notes, and the signed approving legal opinion of Kennedy & Graven, Chartered, as to the validity and enforceability of the Revenue Notes.

10.05. Additional Closing Documents with respect to Revenue Bonds. The City Clerk, the Finance Officer, and other agents, officers, and employees of the City are hereby authorized and directed, individually and collectively, to furnish to the attorneys approving the Revenue Bonds, on behalf of the purchasers of the Revenue Bonds, certified copies of all proceedings and certifications as to facts as shown by the books and records of the City, and the right and authority of the City to issue the Revenue Bonds, and all such certified copies and certifications shall be deemed representations of fact on the part of the City. Such officers, employees, and agents of the City are hereby authorized to execute and deliver, on behalf of the City, all other certificates, instruments, and other written documents that may be requested by bond counsel, the Underwriter, the Purchasers, the Trustee, or other persons or entities in conjunction with the issuance of the Revenue Bonds and the expenditure of the proceeds of the Revenue Bonds. Without imposing any limitations on the scope of the preceding sentence, such officers and employees are specifically authorized to prepare and file one or more UCC-1 financing statements, and execute and deliver a certificate relating to federal tax matters including matters relating to arbitrage and arbitrage rebate, a receipt for the proceeds derived from the sale of the Revenue Bonds, an order to the Trustee, a general certificate of the City, and an Information Return for Tax-Exempt Governmental Obligations, Form 8038-G (Rev. November 2000).

10.06 Additional Closing Documents with respect to Revenue Notes. If the Revenue Notes are issued, the City Clerk, the Finance Officer, and other agents, officers, and employees of the City are hereby authorized and directed, individually and collectively, to furnish to the attorneys approving the Revenue Notes, on behalf of the purchasers of the Revenue Notes, certified copies of all proceedings and certifications as to facts as shown by the books and records of the City, and the right and authority of the City to issue the Revenue Notes, and all such certified copies and certifications shall be deemed representations of fact on the part of the City. Such officers, employees, and agents of the City are hereby authorized to execute and deliver, on behalf of the City, all other certificates, instruments, and other written documents that may be requested by bond counsel, the Placement Agent, the Purchasers, the Guarantor, or other persons or entities in conjunction with the issuance of the Revenue Notes and the expenditure of the proceeds of the Revenue Notes. Without imposing any limitations on the scope of the preceding sentence, such officers and employees are specifically authorized to prepare and file one or more UCC-1 financing statements, and execute and deliver a receipt for the proceeds derived from the sale of the Revenue Bonds and a general certificate of the City.

10.07. Registration. The Finance Officer or City Clerk are hereby authorized and directed to certify a copy of this Resolution and 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 Municipal

Debt Act, and to obtain the certificate of the Director of Property Taxation as the registration of the Revenue Bonds and the Revenue Notes.

#### SECTION 11. MISCELLANEOUS MATTERS RELATING TO ALL OBLIGATIONS.

11.01. Enforceability of Obligations. All agreements, covenants, and obligations of the City contained in this Resolution and in the above-referenced documents shall be deemed to be the agreements, covenants, and obligations of the City to the full extent authorized or permitted by law, and all such agreements, covenants, and obligations shall be binding on the City and enforceable in accordance with their terms. No agreement, covenant, or obligation contained in this Resolution or in the above-referenced documents shall be deemed to be an agreement, covenant, or obligation of any member of the City Council, or of any officer, employee, or agent of the City in that person's individual capacity. Neither the members of the City Council, nor any officer executing the General Obligation Bonds, Revenue Bonds, or Revenue Notes shall be liable personally on the General Obligation Bonds, Revenue Bonds, or Revenue Notes or be subject to any personal liability or accountability by reason of the issuance of the General Obligation Bonds, Revenue Bonds, or Revenue Notes.

11.02. Rights Conferred. Nothing in this Resolution or in the above-referenced documents is intended or shall be constructed to confer upon any person (other than as provided in the General Obligation Bonds, the Indenture, the Revenue Bonds, the Revenue Notes, and the other agreements, instruments, and documents hereby approved) any right, remedy, or claim, legal or equitable, under and by reason of this Resolution or any provision of this Resolution.

11.03. Persons Authorized to Execute Documents. If for any reason the Finance Officer, or any other officers, employees, or agents of the City authorized to execute certificates, instruments, or other written documents on behalf of the City shall for any reason cease to be an officer, employee, or agent of the City after the execution by such person of any certificate, instrument, or other written document, such fact shall not affect the validity or enforceability of such certificate, instrument, or other written document. If for any reason the Finance Officer, or any other officers, employees, or agents of the City authorized to execute certificates, instruments, or other written documents on behalf of the City shall be unavailable to execute such certificates, instruments, or other written documents for any reason, such certificates, instruments, or other written documents may be executed by a deputy or assistant to such officer, or by such other officer of the City as in the opinion of the City Attorney is authorized to sign such document.

11.04. Amendments. The authority to approve, execute, and deliver future amendments to the documents executed and delivered by the City in connection with the transactions contemplated by this Resolution is hereby delegated to the Finance Officer, subject to the following conditions: (a) such amendments do not require the consent of the holders of the General Obligation Bonds, Revenue Bonds, or Revenue Notes or, if required, such consent has been obtained; (b) such amendments do not materially adversely affect the interests of the City as the issuer of the General Obligation Bonds, Revenue Bonds, or Revenue Notes; (c) such amendments do not contravene or violate any policy of the City; (d) such amendments are acceptable in form and substance to the City Attorney, bond counsel or other counsel retained by the City to review such amendments; and (e) the City has received, if necessary, an opinion of bond counsel to the effect that the amendments will not adversely affect the tax-exempt character or interest on the General Obligation Bonds or the Revenue Bonds (if the General Obligation Bonds or the Revenue Bonds are then tax-exempt obligations), and (f) such amendments do not materially prejudice the interests of the owners of the General Obligation Bonds, Revenue Bonds, or Revenue Notes. The authorization hereby given shall be further construed as authorization for the execution and delivery of

such certificates and related items as may be required to demonstrate compliance with the agreements being amended and the terms of this Resolution. The execution of any instrument by the Finance Officer shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof. In the absence of the Finance Officer, any instrument authorized by this paragraph to be executed and delivered by the Finance Officer may be executed by such other officer of the City as in the opinion of the City Attorney is authorized to execute and deliver such document.

11.05. Reimbursement Resolution. This Resolution constitutes an official declaration pursuant to Treasury Regulations, Section 1.150-2, that the City intends to reimburse expenditures which may be made to finance or refinance the public development costs with respect to the development and redevelopment of the Development, the Project, and the District designated herein to be funded with proceeds of the General Obligation Bonds, Revenue Bonds, and Revenue Notes. The expenditures to be reimbursed include but are not limited to construction expenditures incurred after approval of the capital budget, preliminary expenditures for planning, design, legal, and consulting services, land acquisition, and staff costs and other overhead costs reasonably allocable thereto. The reasonably expected source of funds to pay debt service on the General Obligation Bonds, Revenue Bonds, and Revenue Notes consists of tax increment financing revenues derived from the District.

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