

**Adopting Modification No 1 to the Ivy Tower Redevelopment Plan,
and Modification No 1 to the Ivy Tower Tax Increment Finance
Plan**

RESOLVED BY THE CITY COUNCIL OF THE CITY OF MINNEAPOLIS:

Section 1. Recitals.

- 1.01. Pursuant to Laws of Minnesota 2003, Chapter 127, Article 12, Sections 31-34, and Minneapolis Code of Ordinances, Chapter 415, the City of Minneapolis (the “City”), acting by and through its department of Community Planning and Economic Development (“CPED”), has been granted the authority to propose and implement city development districts, housing and redevelopment projects and tax increment financing districts, all pursuant to Minnesota Statutes, Sections 469.001 through 469.134, and 469.174 through 469.179, as amended, and other laws enumerated therein (collectively, the “Project Laws”).
- 1.02. That by Resolution 2001R-516 duly adopted on December 20, 2001, the City approved the Ivy Tower Redevelopment Plan, the Ivy Tower Tax Increment Finance (TIF) Plan, Amendment No 10 to the Development Program for South Nicollet Mall, Amendment No 2 to the IDS/Data Service Center TIF Plan, and Modification No 88 to the Common Plans (collectively, the “Plans”), describing more precisely the “Project Area”, the parcels to be included in the boundary of the TIF District, the two parcels to be excluded from the IDS/Data Service Center TIF District and Common Project boundary, the activities to be undertaken, the property that may be acquired, and eligible expenditures, all pursuant to the Project Laws.
- 1.03. The City has prepared, and this Council has investigated the facts with respect to a proposed Modification to the Ivy Tower Redevelopment Plan and Ivy Tower TIF Plan (the “Modifications”), to reflect a change in the development program from primarily office use to owner occupied housing (including affordable housing in accordance with the City’s Affordable Housing Policy), and hotel uses. On-site parking in support of this new development is being increased.
- 1.04. The City has performed all actions required by law to be performed prior to the adoption of the Modifications, including, but not limited to, a review of the

proposed Modifications by the affected neighborhood groups and the Planning Commission, transmittal of the proposed Modifications to the Hennepin County Board of Commissioners and the School Board of Special School District No 1 for their review and comment, and the holding of a public hearing after published and mailed notice as required by law.

- 1.05. The Council hereby determines that it is necessary and in the best interest of the City to approve the Modifications providing for the additional objective of creating owner occupied housing (including affordable housing in accordance with the City's Affordable Housing Policy), changing the designated land use within the district from primarily office to primarily housing and hotel uses and changing the tax increment financing structure to allow for the issuance of tax exempt tax increment revenue bonds and the issuance of a taxable pay as you go tax increment revenue note in an aggregate amount no greater than the original maximum amount of up to \$9.5 million.

Section 2. Findings for the Adoption of the Modifications.

- 2.01. The Council hereby finds, determines and reaffirms the findings made in Resolution 2001R-516.
- 2.02. The Council further finds, determines and declares that the Modifications conform to the general plan for the redevelopment of the City as a whole. Written comments of the Planning Commission with respect to the Modifications were issued, are incorporated herein by reference, and are on file in the office of the City Clerk in the form of a petition.
- 2.03. The Council further finds, determines and declares that the objectives and actions authorized by the Modifications are consistent with the undertaking of a Redevelopment Project and Redevelopment TIF District, all pursuant to and in accordance with the Project Laws.
- 2.04. The Council further finds, determines and declares that it is necessary and in the best interest of the City to approve the Modifications.

Section 3. Approval of the Modifications.

- 3.01. Based upon the findings set forth in Section 2 hereof, the Modifications presented to the Council on this date are hereby approved and shall be placed on file in the office of the City Clerk.

Section 4. Implementation of the Modifications.

4.01. The officers and staff of the City, and the City's consultants and counsel, are authorized and directed to proceed with the implementation of the Modifications, and for this purpose to negotiate, draft, prepare and present to this Council for its consideration, as appropriate, all further plans, resolutions, documents and contracts necessary for this purpose.