

**RESOLUTION
OF THE
CITY OF MINNEAPOLIS**

Approving an interfund loan for Peavey Plaza Project.

Whereas, the City of Minneapolis ("City") is participating in the revitalization of Peavey Plaza in collaboration with the Minnesota Orchestral Association and the revitalization of Orchestra Hall (the "Project"); and

Whereas, the City costs relating to the Project are expected to be paid with State bond proceeds which were approved during the 2010 legislative session (the "State Bond Proceeds"); and

Whereas, the City is requesting a capital advance in the amount of up to \$970,000 from Common Project Reserve funds as an interim financing source to pay the design costs of Peavey Plaza portion of the Project (the "Interfund Loan"); and

Whereas, the Interfund Loan will be repaid from State Bond Proceeds; and

Whereas, it is deemed in the best interest of this community to approve the Interfund Loan to pay the initial costs of the Project;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That pursuant to Minnesota Statutes, Section 469.178, Subd 7, the City Council approves the Interfund Loan to pay the design costs of the Peavey Plaza portion of the Project, subject to the following requirements:

- (a) The principal amount of the Interfund Loan is up to \$970,000, with the actual amount to be determined by the Finance Officer.
- (b) There will be no interest charged on the Interfund Loan.
- (c) No installment payments will be due on the Interfund Loan, but final payment in full is due upon receipt of the State Bond Proceeds.
- (d) Since Common Project Reserve funds are not eligible to permanently fund the Project, this Interfund Loan is not forgivable. In the event State Bond Proceeds are not available to repay the Interfund Loan, the City shall identify another eligible revenue source to repay this Interfund Loan.