

MINNEAPOLIS CITY COUNCIL OFFICIAL PROCEEDINGS

REGULAR MEETING OF November 19, 2004

(Published November 27, 2004, in *Finance and Commerce*)

Council Chamber

350 South 5th Street

Minneapolis, Minnesota

November 19, 2004 - 9:30 a.m.

Council President Ostrow in the Chair.

Present - Council Members Samuels, Johnson, Colvin Roy, Zimmermann, Schiff, Zerby, Lilligren, Niziolek, Benson, Goodman, Lane, President Ostrow.

Absent - Johnson Lee.

Lilligren moved acceptance of the minutes of the regular meeting held November 5, 2004. Seconded.

Adopted upon a voice vote.

Lilligren moved referral of petitions and communications and reports of the City officers to the proper Council committees and departments. Seconded.

Adopted upon a voice vote.

PETITIONS AND COMMUNICATIONS

COMMUNITY DEVELOPMENT (See Rep):

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT (270007)

Correction to Authorization for Sale of Property at 3445 1st Av S.

Midtown Exchange Apartments Project: Issuance of up to \$24,000,000 in multifamily housing revenue bonds.

Cecil Newman Apartments: Issuance of up to \$6,000,000 in housing revenue bonds.

Chicago Av Streetscape and Plaza Design: Extend panel contract with Short Elliott Hendrickson for design services.

Low Income Housing Tax Credits: Preliminary allocation for projects (Camden Apartments, Ripley Gardens, MS Residence and Heritage Park III.

Neighborhood Revitalization Program (NRP) Business Plan: Staff comments.

COMMUNITY DEVELOPMENT and WAYS & MEANS/BUDGET (See Rep):

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT (270008)

Theatre Study Committee: Recommendations on proposal for the operation and booking of the Orpheum, State and Pantages Theatres.

Village in Phillips Project: Modification No. 1 to Redevelopment Plan to add property at 2404 Bloomington Av for acquisition.

St. Anne's Senior Housing Project: Issuance of up to \$6,250,000 in multifamily housing revenue bonds, adoption tax increment and redevelopment plan, issuance of pay-as-you-go tax increment note, and execution of redevelopment contract.

Ritz Theatre: Modification #101 to the Common Plan allowing commercial/theater use.
Tax-Exempt Revenue Bonds: Authorize City staff to take certain actions in 2005 in order to utilize revenue bond financing.
Sawmill Run Project: Appropriation of funds for pollution remediation.
Upper Harbor River Terminal: 2005 Operating Budget.
Theater Insurance Coverage: Purchase insurance from St. Paul Travelers Insurance Co for the State, Orpheum, Pantages, Orpheum Skyway & Stimson Building properties.

HEALTH AND HUMAN SERVICES:

HEALTH AND FAMILY SUPPORT SERVICES (270009)
Suicide Prevention Project: Report.

HEALTH AND HUMAN SERVICES and WAYS & MEANS/BUDGET (See Rep):

HEALTH AND FAMILY SUPPORT SERVICES (270010)
Twin Cities Healthy Start Initiative: Authorize submit grant application to United States Department of Health and Human Services seeking funds to continue Healthy Start Initiative.
School Based Clinic Staffing: Authorize hire part-time grant funded, intermittent permit nurses at Step 6 of the Public Health Nurse I salary schedule.

INTERGOVERNMENTAL RELATIONS:

METROPOLITAN INTER-COUNTY ASSOCIATION (270011)
MICA's 2005 Legislative Agenda.

PUBLIC SAFETY AND REGULATORY SERVICES:

COUNCIL MEMBER ZIMMERMANN (270012)
Taxicabs: Comments regarding proposal to exempt taxicabs from prohibition on parking commercial vehicles in residential districts.
LICENSES AND CONSUMER SERVICES (270013)
First Avenue/7th Street Entry: Memo regarding license status.
OFFICE OF ADMINISTRATIVE HEARINGS (270014)
Starr Automotive (4001 E Lake St): Findings of Fact, Conclusions and Recommendations by Administrative Law Judge Bruce Johnson regarding licenses for premises located at 4001 E Lake St; and Hearing exhibits.

PUBLIC SAFETY AND REGULATORY SERVICES (See Rep):

ATTORNEY (270015)
Nuisance Night Hearing Program: Receive & File third quarter report; and Direct staff to extend Pilot Program for additional six months, to May 1, 2005.
EMERGENCY COMMUNICATIONS CENTER (ECC) (270016)
Dispatching Services: Approve responding to Hennepin County Resolution 04-8-390 offering the City of Minneapolis no cost public safety dispatching.
INSPECTIONS DEPARTMENT (270017)
Chapter 249 Properties: Approve demolitions of:
4230 Irving Av N;
4400 Park Av S.
LICENSES AND CONSUMER SERVICES (270018)
Taxicab Rate Change: Ordinance amending Title 13, Chapter 342, of Code relating to Licenses and Business Regulations: Taxicabs, adding a 50 cent charge to the flag drop.
Nino's Pizza Plus (4729 Lyndale Av N): Grant Provisional Restaurant License, subject to conditions.

Cafe Blue (2524 Nicollet Av): Grant Restaurant License, subject to conditions.

REILLY, MICHAEL, ET AL (270019)

Vehicle Immobilization: Comments regarding banning immobilization services in City of Minneapolis.

PUBLIC SAFETY AND REGULATORY SERVICES and WAYS & MEANS/BUDGET (See Rep):

POLICE DEPARTMENT (270020)

COPS 2004 Technology Grant: Accept grant award of \$742,108 and execute grant agreement with United States Department of Justice to fund computer technology for sharing large data files electronically with other criminal justice agencies; and Approve appropriation.

Urban Area Security Initiative: Accept grant award of \$99,975 and execute grant agreement with Minnesota Department of Public Safety to reimburse City for law enforcement costs for qualifying security details at facilities; and Approve appropriation.

PURCHASING (270021)

Bid for Fire Rescue Trailer and Cab: OP #6335, accept only bid of Hackney Emergency Vehicles to furnish and deliver fire rescuer and trailer cab.

TRANSPORTATION AND PUBLIC WORKS:

PUBLIC WORKS AND ENGINEERING (270022)

2004-5 Snow Program Overview: Receive & file.

Xcel Energy/NSP (270023)

Installation of one (1) new 50' pole at 127 5th St NE.

TRANSPORTATION AND PUBLIC WORKS (See Rep):

PUBLIC WORKS AND ENGINEERING (270024)

Hennepin Av S Special Service District: Public Hearing; Resolution approving special services, cost estimates, and list of service charges for 2005.

506 - 11th Av N (Former Animal Shelter): Public Hearing approving sale to highest bidder.

Heritage Park Phase 2 Public Improvements: Public Hearing; Resolution adopting and levying special assessments.

Hennepin Theater District Streetscape Project: Assessment Public Hearing adopting and levying areaway abandonments; comments.

2004 Levy of Various Public Works Department Special Assessments: Adoption of assessment rolls.

Minneapolis/St. Paul Airport: Initiate lawsuit against FAA and/or MAC to enforce noise mitigation.

TRANSPORTATION AND PUBLIC WORKS and WAYS & MEANS/BUDGET (See Rep):

PUBLIC WORKS AND ENGINEERING (270025)

LynLake Municipal Parking Lot: Resolution establishing and levying special assessments for 2005 and adopting assessment rolls.

Heritage Park Senior Housing Infrastructure Work: Authorization to enter into Subgrant and Cooperation Agreements with Minneapolis Public Housing Authority (MPHA); receive and file petition for public improvements; authorizing appropriate funds to Heritage Park budget; authorizing amending agreement with SRF Consulting Group.

WAYS AND MEANS BUDGET:

COORDINATOR (270026)

New Central Library Project: Change Management Actions.

FINANCE DEPARTMENT (270027)
3rd Quarter 2004 Financial Status Report.

WAYS AND MEANS BUDGET (See Rep):

ATTORNEY (270028)
Legal Settlements: Claims of Robert Michurski and Keith Anderson.
CITY CLERK (270029)
2005 City Council Budget Guidelines.
COORDINATOR (270030)
New Central Library Project: Construction change orders increasing contracts with Egan Companies (electrical and mechanical), E.R. Berwald Roofing Co.
FINANCE DEPARTMENT (270031)
Workers Compensation Settlement on the Claim of Joyce West.
Banking and Financial Custodial Services: Issue request for proposals and extend contract with Wells Fargo.
Utility Bill Inserts: December inserts providing information on direct payment options for utility bills and stormwater service billing.
HUMAN RESOURCES (270032)
Delta Dental - Benefit Plan Changes: Amend contract to reflect increase in annual benefit for services through a preferred network dental provider.

ZONING AND PLANNING (See Rep):

INSPECTIONS/BOARD OF ADJUSTMENT (270033)
Appeals:
David Keller (3757 Harriet Ave S): Re condition of approval of variances for dormer expansion.
PLANNING COMMISSION/DEPARTMENT (270034)
Appeals:
Master Development Group (4556 E 46th St): Re variances & site plan review for 20-unit residential development.
Rezoning:
Master Development Group (4556 E 46th St);
5th Street Ventures (1901 E Hennepin Ave);
Kristi Oman (3100 Johnson St NE);
Michael Lander (4251 Vincent Ave S).

PLANNING COMMISSION:

Wells Fargo Bank, Natl Assn (Norwest Mortgage Inc) (270035)
Permsn to vacate Water Main, Public Sewers & Storm Drain Easements vic of 5th Ave S and 26th St E & 28th St E along Hwy 35W.

MOTIONS (See Rep):

FINANCE DEPARTMENT (270036)
2004 Workers' Comp Expenses: 3rd Quarter.

FILED:

CITY CLERK/SPECIAL PERMITS (270037)
Buchanan St NE, 2726 (Micah Banks) move garage.
Harding St NE, 746-760 (Paul Miller - Let's Get Graphic Creations) install sign.

The following reports were signed by Mayor Rybak on 11/24/04, unless noted otherwise. Minnesota Statutes, Section 331A.01, Subd 10, allows for summary publication of ordinances and resolutions in the official newspaper of the city.

REPORTS OF STANDING COMMITTEES

The **COMMUNITY DEVELOPMENT** Committee submitted the following reports:

Comm Dev - Your Committee recommends passage of the accompanying resolution authorizing the issuance and sale of up to \$24,000,000 in Series 2003 Tax-Exempt Multifamily Housing Revenue Entitlement Bonds or Note for the Midtown Exchange Apartments Project.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Resolution 2004R-525 authorizing the issuance of \$24,000,000 in revenue bonds for the Midtown Exchange Apartments Project, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-525

By Goodman

Authorizing the issuance of notes, in a principal amount not to exceed \$24,000,000, in the form of one or more series of Multifamily Housing Revenue Notes (Midtown Exchange Apartments Project), Series 2004, and approving and authorizing the execution of various documents in connection therewith.

Whereas, pursuant to the Minnesota Municipal Housing Act, Minnesota Statutes, Chapter 462C, as amended (the "Act"), a city is authorized to carry out programs for the financing of multifamily housing for persons of low and moderate income, and to authorize its housing and redevelopment authority to act on its behalf; and

Whereas, the City Council (the "City Council") of the City of Minneapolis (the "City") has prepared the Housing Plan for Local Housing for the City of Minneapolis, Minnesota, revised June, 1984 (the "Plan") which plan was adopted pursuant to the Act on July 13, 1984; and

Whereas, the Act requires adoption of a housing finance program after a public hearing held thereon for which notice was published in a newspaper of general circulation in the City at least fifteen (15) days in advance of the hearing; and

Whereas, there has been proposed a program (the "Program") for the issuance of notes to finance the acquisition and construction by Midtown Exchange Limited Partnership, a Minnesota limited partnership (the "Developer"), of a 223-unit multifamily rental housing development to be located at 2929 Chicago Avenue South in the City (the "Project"); and

Whereas, the City on June 8, 2004 and on November 9, 2004 did conduct a public hearing on the Program; and

Whereas, by Resolution 2004R-253 adopted June 18, 2004, and published on June 26, 2004, the City gave its preliminary approval to the issuance of up to \$21,000,000 of bonds, now notes, to finance the Program; and

Whereas, the cost of the Project has increased and the number of units in the Project has decreased since the City gave its preliminary approval and approval of the Program; and

Whereas, the City has reserved up to \$24,000,000 of its 2003 housing revenue bond entitlement authority for the notes; and

Whereas, the City desires to facilitate the development of rental housing within the community, encourage the preservation of affordable housing opportunities for residents of the City, encourage the preservation of housing facilities designed for occupancy by persons of low or moderate income within

the boundaries of the City, and the maintenance of affordable units in the Project would assist the City in achieving these objectives; and

Whereas, the Program will result in the provision of decent, safe and sanitary rental housing opportunities to persons within the community; and

Whereas, this City Council has been advised that conventional, commercial financing to pay the capital costs of the Program is available only on a limited basis and at such high costs of borrowing that the economic feasibility of operating the Project would be significantly reduced, but the City Council has been further advised that with the aid of municipal financing and resulting low borrowing costs, the Project is economically more feasible; and

Whereas, the staff of the City considers the proposed Program to be in furtherance of the housing policies of the State of Minnesota as stated in the Act and of the City as stated in the Plan; and

Whereas, the Program is to be financed from the proceeds of notes, in an aggregate amount not to exceed \$24,000,000 in one or more series being in the form of Multifamily Housing Revenue Notes (Midtown Exchange Apartments Project), Series 2004 (the "Notes"), to be issued by the City, and the revenues from the Project (as defined below) shall be pledged for the security and payment of the Notes (except as may otherwise be set forth in the Pledge Agreement hereinafter referred to); and

Whereas, the Note proceeds will be used by the City to fund a loan (the "Loan") to the Developer to finance the acquisition and construction of the Project; and

Whereas, the Notes will be issued under this Resolution (the "Resolution"), and the proceeds of the Notes will be loaned to the Developer pursuant to a Loan Agreement, dated as of December 1, 2004 (the "Loan Agreement"), and the Notes will be secured by a pledge of all rights and revenues derived by the City from the Loan Agreement (except certain retained rights of the City), and said Notes and the interest on said Notes shall be payable solely from the revenues pledged therefor and the Notes shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation nor give rise to a pecuniary liability of the City or a charge against its general credit or assets and 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 Project; and

Whereas, forms of the following documents (including the exhibits referred to therein) have been submitted to the City:

- a. The Loan Agreement to be made and entered into between the City and the Developer providing for the loan of the proceeds of the Notes to the Developer, and for the repayment of such loan;
- b. The Pledge Agreement to be made and entered into between the City and U.S. Bank National Association (the "Lender"), pledging the City's right, title and interest in the Loan Agreement as the security of the Notes, and setting forth proposed covenants and agreements with respect thereto;
- c. The Regulatory Agreement, dated as of December 1, 2004 between the City, the Lender and the Developer (the "Regulatory Agreement"); and
- d. The form of Note from the City to the Lender.

The agreements described and referred to in paragraphs a through d above shall hereinafter sometimes be referred to collectively as the "Agreements";

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

That it is hereby found, determined and declared that:

a. The preservation of the quality of life in the City is dependent upon the maintenance, provision and preservation of an adequate housing stock which is affordable to persons and families of low or moderate income, that accomplishing this is a public purpose, and that many would-be providers of housing units in the City are either unable to afford mortgage credit at present market rates of interest or are unable to obtain mortgage credit because the mortgage credit market is severely restricted.

b. The development and implementation of the Program, and the issuance and sale of the Notes by the City, and the execution and delivery of the Agreements and the performance of all covenants and agreements of the City contained therein and of all other acts and things required under the Constitution and Laws of the State of Minnesota to make the Agreements and the Notes valid and binding obligations of the City in accordance with their terms, are authorized by the Act.

c. The implementation of the Program for the purposes and in the manner contemplated by the Agreements conforms or will conform to all pertinent statutes, regulations and ordinances of the State of Minnesota and the City.

d. It is desirable that the Notes be issued by the City in one or more series, in an aggregate principal amount not to exceed \$24,000,000, on the terms set forth in the Resolution, the Loan Agreement, the Pledge Agreement, the Regulatory Agreement and the Notes.

e. The payments required or provided for by the Agreements are intended to produce income and revenues sufficient to provide for the payment when due of principal of and interest on all Notes issued under the Resolution, and payments are required to be made for such expenses of, among other things, administration of the Program as will be necessary to protect the interests of the City and the Lender.

f. Pursuant to the provisions of the Act, and as provided in the Agreements, the Notes shall be retired solely from the revenues of the Project.

Be It Further Resolved that the City hereby ratifies preliminary approval of the Notes in an amount not to exceed \$24,000,000 and the number of units in the Project as 221.

Be It Further Resolved that the City hereby amends the Program to (i) provide for the issuance of Notes to finance the Project in an amount not to exceed \$24,000,000 (ii) reflect the number of units in the Project as 221.

Be It Further Resolved that the Agreements in substantially the forms submitted to the City at this meeting are hereby approved. Such of the documents as require the execution of the City are hereby authorized and directed to be executed or accepted, as the case may be, and delivered in the name and on behalf of the City by its Finance Officer upon execution thereof by the parties thereto as appropriate. The Notes and the Agreements shall be executed and delivered as provided therein. Copies of all the documents necessary for the consummation of the transactions described herein and in the Agreements shall be delivered, filed and recorded as provided herein and in the Agreements.

Be It Further Resolved that the form and terms of the Agreements may be varied prior to execution and delivery by the parties thereto, provided that any such variance shall not be, in the opinion of the City's legal counsel and the Finance Officer, materially adverse to the interests of the City. The execution and delivery of the Agreements as provided above shall be conclusive evidence of the determination that any such variance was not materially adverse to the interests of the City.

Be It Further Resolved that in anticipation of the collection of revenues of the Project, there shall be issued forthwith the Notes, which issuance is approved, substantially in the forms and upon the terms set forth in the Agreements and the Notes, the terms of which are for this purpose incorporated in this Resolution and made a part hereof as if fully set forth herein. The Notes shall be dated as of the date and shall mature on the dates (subject to redemption on such earlier dates as provided in the Notes), bear interest and be payable at the rates, all determined as set forth in the Agreements and the Notes, to be approved, executed and delivered by the officers of the City authorized to do so by the provisions of this Resolution, which approval shall be conclusively evidenced by such execution and delivery; provided that such rates shall result in an average coupon rate not greater than 7.00% per annum.

Be It Further Resolved that all actions of the members, employees and staff of the City heretofore taken in furtherance of the Program are hereby approved, ratified and confirmed.

Be It Further Resolved that the Notes are hereby designated "Program Bonds" and are determined to be within the "Housing Program" and the "Program," all as defined in Resolution 88R-021 of the City adopted January 29, 1988, and as amended by Resolution 97R-402 of the City adopted December 12, 1997.

Be It Further Resolved that the sale of said Notes to the Lender is hereby approved, and the Notes are hereby directed to be sold to the Lender, upon the terms and conditions set forth in the Agreements and the Notes. The Finance Officer of the City is hereby authorized and directed to prepare and execute by manual or facsimile signature the Notes as described in the Agreements and to deliver them to the Lender together with a certified copy of this Resolution, and the other documents required by the Agreements.

Be It Further Resolved that the Finance Officer and other officers of the City are authorized and directed to prepare and furnish when the Notes are issued, certified copies of all proceedings and records of the City relating to the Notes and such other affidavits and certificates (including but not limited to those required by bond counsel) as may be required to show the facts relating to the legality, tax exemption and marketability of the Notes as such facts appear from the books and records in said officers' custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the City as to the truth of all

statements made by the City and contained therein. The Finance Officer and said officers are further authorized to execute such additional documents as shall be determined by the Finance Officer to be necessary and desirable to provide for the issuance of the Notes.

Be It Further Resolved that all covenants, stipulations, obligations and agreements of the City contained in this Resolution and the aforementioned documents shall be deemed to be the covenants, stipulations, obligations and agreements of the City to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the City. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the City by the provisions of this Resolution or of the aforementioned documents shall be exercised or performed by the City or by such members of the City, or such officers, board, body or agency thereof as may be required or authorized by law to exercise such powers and to perform such duties.

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, or any officer, agent or employee of the City in that person's individual capacity, and neither the City Council nor any officer or employee executing the Notes shall be liable personally on the 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 Notes or in any other document related to the Notes, and no obligation therein or herein imposed upon the City or the breach thereof, shall constitute or give rise to 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 Project, the proceeds of the Notes which are to be applied to the payment of the Notes, as provided therein and in the Agreements.

The Notes shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property or funds of the City except the revenue and proceeds pledged to the payment thereof, nor shall the City be subject to any liability thereon. The holders of the Notes shall never have the right to compel any exercise of the taxing power of the City to pay the outstanding principal of the Notes, or the interest thereon, or to enforce payment thereof against any property of the City. The Notes shall recite in substance that the Notes, including the interest thereon, are payable solely from the revenues and proceeds pledged to the payment thereof. The Notes shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation.

Be It Further Resolved that 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 or any holder of the 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 provision 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 and any holder from time to time of the Notes issued under the provisions of this Resolution.

Be It Further Resolved that in case any one or more provisions of this Resolution, or of the aforementioned documents, or of the 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 Notes, but this Resolution, the aforementioned documents, the Notes shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

Be It Further Resolved that the Notes, when executed and delivered, shall contain a recital that they are issued pursuant to the Act, and such recital shall be conclusive evidence of the validity of the 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 Notes and to the execution of the aforementioned documents to happen, exist and be performed precedent to and in the enactment of this Resolution, and precedent to issuance of the Bonds, and precedent to the execution of the aforementioned documents have happened, exist and have been performed as so required by law.

Be It Further Resolved that in the event any of the officers of the City authorized to execute

documents on behalf of the City under this resolution have resigned or shall for any reason be unable to do so, any member of the City, or officer of the City, is hereby directed and authorized to do so on behalf of the City, with the same effect as if executed by the officer authorized to do so in this Resolution.

Be It Further Resolved that the City hereby allocates up to \$24,000,000 of its 2003 entitlement authority to issue tax-exempt notes pursuant to Minnesota Statutes, Chapter 474A, to the Notes, the actual amount of such allocation to be in the aggregate principal amount of Notes issued.

Be It Further Resolved that this Resolution shall take effect upon publication.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Comm Dev - Your Committee recommends passage of the accompanying resolution giving final approval of up to \$6,000,000 in Housing Revenue Bonds for Cecil Newman Apartments located at 701-729 Emerson Av N by Cecil Newman Limited Partnership, and approving the assumption by the new owner, Cecil Newman Limited Partnership, of the two existing City loans to the project and the extension of loan terms.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Resolution 2004R-526 giving final approval up to \$6,000,000 in Housing Revenue Bonds for Cecil Newman Apartments, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-526

By Goodman

Authorizing the financing of a housing program under Minnesota Statutes, Chapter 462C, authorizing the issuance of Multifamily Housing Revenue Bonds in an aggregate principal amount not to exceed \$6,000,000 to finance the program, and approving and authorizing the execution of various documents in connection therewith.

Whereas, pursuant to the Minnesota Municipal Housing Act, Minnesota Statutes Chapter 462C (the "Act"), a city is authorized to carry out programs for the financing of multifamily housing for persons of low and moderate income; and

Whereas, on August 10, 2004, the Community Development Committee of this City Council held a public hearing with respect to a program (the "Program") for the issuance of bonds to make a loan to finance the acquisition and substantial renovation of 64 units of multifamily rental housing (the "Project") located at 701 to 729 Emerson Avenue North in the City, by Cecil Newman Apartments Limited Partnership, a Minnesota limited partnership or its affiliates and assigns (the "Company"); and

Whereas, the Program is to be financed from the proceeds of the City's Multifamily Housing Revenue Bonds, Series 2004A and Series 2004B (collectively, the "Bonds"), in an aggregate principal amount not to exceed \$6,000,000, to be issued by the City, and the revenues from the Project shall be pledged for the security of and payment for the Bonds (except as may be otherwise set forth in the financing documents hereinafter referred to); and

Whereas, each series of Bond proceeds will be used by the City to provide for funding of a loan (collectively, the "Loans") to the Company to finance the acquisition and substantial renovation of the Project; and

Whereas, each series of Bonds and the interest on said Bonds shall be payable solely from the revenues pledged therefor and the Bonds shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation nor give rise to a pecuniary liability of the City or a charge against its general credit or assets and shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City other than the City's interest in said Project; and

Whereas, forms of the following documents (including the exhibits referred to therein) have been submitted to the City:

a. The Indenture of Trust relating to the Series 2004A Bonds (the "Indenture") to be made and entered into among the City and the trustee named therein (the "Trustee"), providing for the issuance of the Series 2004A Bonds, prescribing the form thereof, pledging the trust estate described therein for the security of the Series 2004A Bonds, and setting forth proposed recitals, covenants and agreements by the parties with respect thereto;

b. The form of the Series 2004B Bond;

c. The Financing Agreement and Loan Agreement to be executed by the City and the Company (collectively, the "Financing Agreements"), pursuant to which the proceeds of the respective series of Bonds are applied to make a loan to the Company;

d. The Pledge Agreement relating to the Series 2004B Bond, between the City and Western Bank as purchaser of the Series 2004B Bond (the "Lender");

e. The Bond Purchase Agreement relating to the Series 2004A Bonds, to be dated as of the date of execution thereof (the "Bond Purchase Agreement"), by and among the City, the Company and Piper Jaffray & Co. (the "Underwriter"), providing for the purchase of the Series 2004A Bonds by the Underwriter;

f. The Regulatory Agreement to be executed by the City, the Company and the Trustee, as required to maintain the tax-exempt status of the Bonds; and

g. A preliminary disclosure document relating to the offer of the Series 2004A Bonds (the "Preliminary Official Statement").

The agreements described and referred to in paragraphs a through f above shall hereinafter sometimes be referred to collectively as the "Agreements."

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

That it is hereby found, determined and declared that:

a. The preservation of the quality of life in the City is dependent upon the construction, maintenance, provision, and preservation of an adequate housing stock which is affordable to persons and families of low or moderate income, that accomplishing this is a public purpose, and that many would-be providers of housing units in the City are either unable to afford mortgage credit at present market rates of interest or are unable to obtain mortgage credit because the mortgage credit market is severely restricted;

b. The development and implementation of the Program, and the issuance and sale of the Bonds by the City, and the execution and delivery of the Agreements and the performance of all covenants and agreements of the City contained therein and of all other acts and things required under the Constitution and Laws of the State of Minnesota to make the Agreements and the Bonds valid and binding obligations of the City in accordance with their terms, are authorized by the Act;

c. The implementation of the Program for the purposes and in the manner contemplated by the Agreements conforms or will conform to all pertinent statutes, regulations and ordinances of the State of Minnesota and the City;

d. It is desirable that the Bonds in the aggregate principal amount not to exceed \$6,000,000 be issued by the City, on the terms set forth in the Bonds and in the Indenture, the Financing Agreements and the Bond Purchase Agreement, as applicable;

e. The payments required or provided for by the Financing Agreements are intended to produce income and revenues sufficient to provide for the payment when due of principal of and interest on the Bonds, and payments are required to be made for such expenses of, among other things, administration of the Program, as will be necessary to protect the interests of the City, the Trustee and the Lender; and

f. Pursuant to the provisions of the Act, and as provided in the Agreements, the Bonds shall be retired solely from the revenues of the Project and other revenues specifically pledged therefor.

Be It Further Resolved that the Program and the Agreements in substantially the forms submitted to the City at this meeting are hereby approved. Such of the documents as require the execution of the City are hereby authorized and directed to be executed or accepted, as the case may be, and delivered in the name and on behalf of the City by its Finance Officer (or Assistant Finance Officer) upon execution thereof by the parties thereto as appropriate. The Bonds and the Agreements shall be executed and delivered as provided therein. Copies of all the documents necessary for the consummation of the transactions described herein and in the Agreements shall be delivered, filed and recorded as provided herein and in the Agreements.

Be It Further Resolved that the form and terms of the Agreements may be varied prior to execution and delivery by the parties thereto, provided that any such variance shall not be, in the opinion of the City's

legal counsel, materially adverse to the interests of the City. The execution and delivery of the Agreements as provided above shall be conclusive evidence of the determination that any such variance was not materially adverse to the interests of the City.

Be It Further Resolved that in anticipation of the collection of revenues of the Project, there shall be issued forthwith the Bonds, in an aggregate principal amount not to exceed \$6,000,000, which issuance is approved, substantially in the form and upon the terms set forth therein and in the Indenture (with respect to the Series 2004A Bonds), the terms of which are for this purpose incorporated in this resolution and made a part hereof as if fully set forth herein. The Bonds shall be dated as of the date and shall mature on the dates (subject to redemption on such earlier dates as provided therein), bear interest and be payable at the rates, all determined as set forth therein, provided that such rates shall result in an average weighted interest rate on an aggregate basis not greater than 7.0%, and provided further that the Bonds shall mature within 43 years of the date of issuance thereof. The City may at its option issue additional bonds at a later date to be used to pay or reimburse costs of the Project not paid from the proceeds of the Bonds, in a principal amount not to exceed the amount set forth in the Program.

Be It Further Resolved that all actions of the employees and staff of the City heretofore taken in furtherance of the Program are hereby approved, ratified and confirmed.

Be It Further Resolved that the sale of the Series 2004A Bonds and the Series 2004B Bonds to the Underwriter and Lender, respectively, is hereby approved, and the Series 2004A Bonds are hereby directed to be sold to the Underwriter upon the terms and conditions set forth in the Bond Purchase Agreement. The Finance Officer (or Assistant Finance Officer) of the City is hereby authorized and directed to prepare and execute by manual or facsimile signature the Bonds and to deliver the Series 2004A Bonds to the Trustee (which is herein designated as the authenticating agent under Minnesota Statutes, Section 475.55) for authentication and delivery to or as instructed by the Underwriter, and to deliver the Series 2004B Bond to the Lender, together with a certified copy of this resolution, and the other documents required by the Agreements.

Be It Further Resolved that the Finance Officer (or Assistant Finance Officer) and other officers of the City are authorized and directed to prepare and furnish when the Bonds are issued, certified copies of all proceedings and records of the City relating to the Bonds and such other affidavits and certificates (including but not limited to those required by bond counsel) as may be required to show the facts relating to the legality, tax exemption and marketability of the Bonds as such facts appear from the books and records in said officers' custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the City as to the truth of all statements made by the City and contained therein. Said officers are further authorized to execute such additional documents as shall be determined by the Finance Officer to be necessary and desirable to provide for the issuance of the Bonds.

Be It Further Resolved that the Finance Officer (or Assistant Finance Officer) and other officers of the City consent to the distribution of the Preliminary Official Statement relating to the Series 2004A Bonds, substantially in the form on file with the City. Said officers further consent to the use by the Underwriter in connection with the sale of the Series 2004A Bonds of a final Official Statement, substantially in the form of the Preliminary Official Statement described above. The Preliminary Official Statement and the final Official Statement are the sole materials consented to by said officers for use in connection with the offer and sale of the Series 2004A Bonds. Said officers have not participated in the preparation thereof, have not made any independent investigation of the information contained therein and shall have no liability in connection with the contents of or use of such offering materials.

Be It Further Resolved that all covenants, stipulations, obligations and agreements of the City contained in this resolution and the aforementioned documents shall be deemed to be the covenants, stipulations, obligations and agreements of the City to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the City. Except as otherwise provided in this resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the City by the provisions of this resolution or of the aforementioned documents shall be exercised or performed by the City or by such members of the City, or such officers, board, body or agency thereof as may be required or authorized by law to exercise such powers and to perform such duties.

Be It Further Resolved that 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, or any officer, agent or employee of the City in that person's individual capacity, and neither the City Council nor any officer or employee executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Be It Further Resolved that no provision, covenant or agreement contained in the aforementioned documents, the Bonds or in any other document related to the Bonds, and no obligation therein or herein imposed upon the City or the breach thereof, shall constitute or give rise to 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 Project or the proceeds of the Bonds which are to be applied to the payment of the Bonds, as provided therein and in the Indenture and Pledge Agreement. The Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property or funds of the City except the revenue and proceeds pledged to the payment thereof, nor shall the City be subject to any liability thereon. The holders of the Bonds shall never have the right to compel any exercise of the taxing power of the City to pay the outstanding principal of the Bonds or the interest thereon, or to enforce payment thereof against any property of the City. The Bonds shall recite in substance that the Bonds, including the interest thereon, are payable solely from the revenues and proceeds pledged to the payment thereof. The Bonds shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation.

Be It Further Resolved that 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 or any holder of the Bonds issued under the provisions of this resolution, any right, remedy or claim, legal or equitable, under and by reason of this resolution or any provision 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 and any holder from time to time of the Bonds issued under the provisions of this resolution.

Be It Further Resolved that in case any one or more of the provisions of this resolution, or of the aforementioned documents, or of the Bonds 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 Bonds, but this resolution, the aforementioned documents, and the Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

Be It Further Resolved that the Bonds, when executed and delivered, shall contain a recital that they are issued pursuant to the Act, and such recital shall be conclusive evidence of the validity of the Bonds 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 Bonds and to the execution of the aforementioned documents to happen, exist and be performed precedent to and in the enactment of this resolution, and precedent to issuance of the Bonds and precedent to the execution of the aforementioned documents have happened, exist and have been performed as so required by law.

Be It Further Resolved that in the event any of the officers of the City authorized to execute documents on behalf of the City under this resolution shall have resigned or shall for any reason be unable to do so, any member of the City, or officer of the City, is hereby directed and authorized to do so on behalf of the City, with the same effect as if executed by the officer authorized to do so in this resolution.

Be It Further Resolved that each Bond is hereby designated as a "Program Bond" and is determined to be within the "Housing Program" and the "Program" all as defined in Resolution 88R-021 of the City adopted January 29, 1988, and as amended by Resolution 97R-402 of the City adopted December 12, 1997.

Be It Further Resolved that this resolution shall take effect upon publication.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Comm Dev - Your Committee, having under consideration the City's contract with Short Elliot Hendrickson, Inc. (SEH) for design services related to the Chicago Plaza project (between Washington

Av S and 2nd St S), now recommends that the proper City officers be authorized to extend the end date for said contract to February 28, 2006 and increase the current panel contract amount with SEH by \$100,000 to complete the Chicago Av streetscape and paving plans and Phase II Chicago Plaza design and inspection.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

(Published 11/23/04)

Comm Dev - Your Committee, having under consideration allocation of 2005 Federal Low Income Housing Tax Credits, now recommends concurrence with the recommendation of the Community Planning and Economic Development (CPED) Department to preliminarily reserve said credits totaling \$1,035,637 for the following projects:

a) Camden Apartments/FACT Housing - 4643 Lyndale Av N, \$404,208;

b) Ripley Gardens - 300 Queen Av N, \$465,000;

c) MS Residence - 4550 Humboldt Av N, \$134,429;

d) Heritage Park III - Olson Highway & Lyndale Av N, \$32,000.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Comm Dev - Your Committee, having under consideration the Neighborhood Revitalization Program (NRP) Business Plan and having reviewed proposed staff comments on the plan (Petn No 270007) that will be submitted to the NRP Policy Board, now recommends that said comments be **sent forward without recommendation**.

Schiff moved to amend the report to delete the language "sent forward without recommendation" and insert in lieu there of the language "received and filed". Seconded.

Adopted upon a voice vote.

The report, as amended, was adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

Comm Dev - Your Committee recommends passage of the accompanying resolution correcting a previous action authorizing Hennepin County to plan and manage the sale and redevelopment of a tax forfeited property at 3445 1st Av S (previously approved as 3345 1st Av S) for a multifamily housing project.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Resolution 2004R-527 amending Resolution 2004R-499 that authorized Hennepin County to manage the redevelopment of the property at 3445 1st Av S (incorrectly approved as 3345 1st Av S) for a multifamily housing project, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-527

Amending Resolution 2004R-499 authorizing approval for Hennepin County to manage the sale and redevelopment of a tax forfeited property at 3345 1st Av S for a housing development project.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution be amended to reflect the correct property address of 3445 1st Av S.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

The **COMMUNITY DEVELOPMENT** and **WAYS & MEANS/BUDGET** Committee submitted the following reports:

Comm Dev & W&M/Budget - Your Committee, having under consideration the Village in Phillips Project and a request for creation of a redevelopment project area in the area of 24th and Bloomington Av S and, having held a public hearing thereon, now recommends passage of the accompanying resolution adopting Modification No. 1 to the Village in Phillips Redevelopment Plan.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Resolution 2004R-528 adopting Modification No. 1 to the Village in Phillips Redevelopment Plan, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-528
By Goodman and Johnson

Adopting Modification No 1 to the Village in Phillips Redevelopment Plan.

Resolved by The City Council of The City Of Minneapolis:

Section 1. Recitals.

1.1. 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").

1.2. It has been proposed and the City has prepared, and this Council has investigated the facts with respect to, a proposed Modification No 1 to the Village in Phillips Redevelopment Plan (the "Modification"). The Modification designates property that may be acquired, all pursuant to and in accordance with the Project Laws.

1.3. The Council hereby determines that it is necessary and in the best interests of the City at this time to approve the Modification to reflect project activities in the Project Area.

1.4. The City has performed all actions required by law to be performed prior to the adoption of the Modification, including, but not limited to, a review of the proposed Modification by the affected neighborhood group and the City Planning Commission, transmittal of the proposed Modification 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.

Section 2. Findings for the Adoption of the Modification.

2.1. The Council hereby finds, determines and declares that the objectives and actions authorized by the Modification are all pursuant to and in accordance with the Project Laws.

2.2. The Council hereby finds, determines and reaffirms the findings made in resolution 2003R-543 on November 21, 2003.

2.3. The Council further finds, determines and declares that it is necessary and in the best interests of the City at this time to approve the Modification.

Section 3. Approval of the Modification.

3.1. Based upon the findings set forth in Section 2 hereof, Modification No 1 to the Village in Phillips Redevelopment Plan presented to the Council on this date is hereby approved and shall be placed on file in the office of the City Clerk.

Section 4. Implementation of the Modification.

4.1. 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 Modification, and for this purpose to negotiate, draft, prepare and present to this Council for its consideration, as appropriate, all further modifications, resolutions, documents and contracts necessary for this purpose.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Comm Dev & W&M/Budget - Your Committee, having under consideration the St. Anne's Senior Housing Project, a senior rental housing and commercial project to be located at the intersection of West Broadway and Queen Av N, and having held a public hearing to consider a tax increment financing plan, final housing revenue bond approval and appropriation of an Affordable Housing Trust Fund Levy Loan, now recommends passage of the accompanying resolutions:

a) Granting final approval of up to \$6,250,000 in tax-exempt Multifamily Housing Development Bonds;

b) Adopting the St. Anne's Senior Housing Tax Increment Financing (TIF) Plan and the St. Anne's Senior Housing Redevelopment Plan;

c) Authorizing the issuance of a Limited Revenue, Pay-As-You-Go Tax Increment Financing Note to the St. Anne's A Limited Partnership in a principal amount not to exceed \$719,900; and

d) Increasing the appropriation in the Community Development Levy Fund by \$468,000.

Your Committee further recommends approval of the proposed redevelopment contract business terms as outlined in Petn No 270008 and authorize the proper City officers to execute a redevelopment contract with the St. Anne's A Limited Partnership, with St. Anne's Community Development acting as its general partner, based on the terms set forth in Petn No 270008 and all other necessary documents related to said actions.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Resolutions 2004R-529 through 2004R-532 relating to the St. Anne's Senior Housing Project (granting final approval of up to \$6,250,000 in tax-exempt Multifamily Housing Development Bonds; adopting the St. Anne's Senior Housing Tax Increment Financing (TIF) Plan and the St. Anne's Senior Housing Redevelopment Plan, authorizing the issuance of a Limited Revenue, Pay-As-You-Go Tax Increment Financing Note to the St. Anne's A Limited Partnership in a principal amount not to exceed \$719,900, and increasing the appropriation in the Community Development Levy Fund by \$468,000, was passed 11/19/04 by the City Council. A complete copy of each resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-529
By Goodman and Johnson

Relating to the City of Minneapolis, Minnesota Multifamily Housing Revenue Bond (St. Anne's Senior Housing Project) Series 2004; authorizing the issuance thereof pursuant to Minnesota Statutes, Chapter 462C.

Resolved by the City Council of the City of Minneapolis, Minnesota (the "City"), as follows:

Section 1. Definitions.

1.01. In this Resolution the following terms have the following respective meanings unless the context hereof or use herein clearly requires otherwise:

"Act" means Minnesota Statutes, Chapter 462C, as amended;

"Agreement" means the Loan Agreement to be entered into among the City and the Borrower relating to the Bond;

"Assignment" means the Assignment of Mortgage from the City to the Holder relating to the Bonds;

"Bond" means the Multifamily Housing Revenue Bond (St. Anne's Senior Housing Project), Series 2004 to be issued by the City pursuant to this resolution in the principal amount of up to \$6,250,000;

"Bond Documents" means the Agreement, the Regulatory Agreement, the Pledge Agreement, the Assignment and the Bond;

"Borrower" means St. Anne's Assisted Living Limited Partnership, a Minnesota limited partnership, its successors and assigns;

"Holder" means U.S. Bank National Association, as holder of the Bond, and its successors and assigns;

"Pledge Agreement" means the Pledge Agreement to be entered into among the City and the Holder relating to the Agreement and the Bond;

"Project" means the multifamily housing development to be financed with the proceeds of the Bond, as further defined in the Agreement;

"Regulatory Agreement" means the Regulatory Agreement to be entered into among the City, the Holder and the Borrower relating to the Project;

"Resolution" means this resolution of the City.

Section 2. Findings.

2.01. It is hereby found and declared that:

(a) based upon representations made to the City by representatives of the Borrower as to the nature of the Project as described in the Agreement, the Project constitutes a project authorized by the Act;

(b) the purpose of the Project is and the effect thereof is to promote the provision of decent, sanitary and safe housing accommodations for low and moderate income persons;

(c) the financing of the Project, the issuance and sale of the Bond, the execution and delivery of the Bond Documents and the performance of all covenants and agreements of the City contained in the Bond Documents and of all other acts and things required under the charter of the City and the Constitution and laws of the State of Minnesota to make the Bond Documents valid and binding obligations of the City in accordance with their terms are authorized by the Act;

(d) it is desirable that the Bond be issued by the City upon the terms set forth herein and that the City pledge its interest in the Agreement and grant a security interest therein to the Holder as security for the payment of the principal of, premium, if any, and interest on the Bond;

(e) the loan payments contained in the Agreement are fixed and are required to be revised from time to time as necessary, so as to produce income and revenue sufficient to provide for prompt payment of the principal of, premium, if any, and interest on the Bond when due, and the Agreement also provides that the Borrower is required to pay all expenses of the operation and maintenance of the Project, including, but not limited to, adequate insurance thereon and all taxes and special assessments levied upon or with respect to the Project and payable during the term of the Agreement;

(f) under the provisions of the Act, the Bond is not to be payable from nor charged upon any funds of the City other than the revenue pledged to the payment thereof; the City is not subject to any liability thereon; no Holder of the Bond shall ever have the right to compel any exercise of the taxing power of the City to pay the Bond or the interest thereon nor to enforce payment thereof against any property of the City; the Bond, premium, if any, and interest thereon shall not constitute an indebtedness of the City within the meaning of any constitutional, charter or statutory limitation and shall not constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers and shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the City other than its interest in the Project;

(g) the execution and delivery of the Bond Documents shall not conflict with or constitute, on the part of the City, a breach of or a default under any existing agreement, indenture, mortgage, lease or other instrument to which the City is subject or is a party or by which it is bound; provided that this finding is made solely for the purpose of estopping the City from denying the validity of the Bond Documents by reason of the existence of any facts contrary to this finding;

(h) no litigation is pending or, to the best knowledge of the members of this City Council, threatened against the City questioning the organization of the City or the right of any officer of the City to hold his or her office or in any manner questioning the right and power of the City to execute and deliver the Bond or otherwise questioning the validity of the Bond or the execution, delivery or validity of the Bond Documents or questioning the pledge of revenues to payment of the Bond or the right of the City to loan the proceeds of the Bond to the Borrower;

(i) all acts and things required under the Constitution and the laws of the State of Minnesota to make the Bond Documents the valid and binding obligations of the City in accordance with their terms shall

have been done upon adoption of this Resolution and execution of the Documents; provided that this finding is made solely for the purpose of estopping the City from denying the validity of the Bond Documents by reason of the existence of any facts contrary to this finding; and

(j) the City is duly organized and existing under the Constitution and the laws of the State of Minnesota and is authorized to issue the Bond in accordance with the Act.

Section 3. Authorization and Sale.

3.01. Authorization. The City is authorized by the Act to issue revenue bonds and loan the proceeds thereof to finance the acquisition, construction and installation of facilities constituting a "multifamily housing development" as defined in the Act, and to make all contracts, execute all instruments and do all things necessary or convenient in the exercise of such authority.

3.02. Approval of Documents. Pursuant to the foregoing, there have been prepared copies of the following documents, all of which are now or shall be placed on file in the office of the Minneapolis Community Planning and Economic Development Department:

- (a) the Agreement;
- (b) the Pledge Agreement;
- (c) the Bond;
- (d) the Regulatory Agreement; and
- (e) the Assignment.

The forms of the documents listed above are approved, with such variations, insertions and additions as are deemed appropriate by the parties and approved by the City.

Section 4. Authorizations.

4.01. Upon the completion of the Bond Documents approved in Section 3.02 hereof and the execution thereof by the other parties thereto, the Finance Officer (or Assistant Finance Officer) shall execute the same on behalf of the City, and the foregoing person and other officers of the City shall execute such other certifications, documents or instruments as bond counsel shall require, subject to the approval of the City, and all certifications, recitals and representations therein shall constitute the certificates, recitals and representations of the City. Execution of any instrument or document by one or more appropriate officers of the City shall constitute and shall be deemed the conclusive evidence of the approval and authorization by the City and the City Council of the instrument or document so executed.

Section 5. The Bond.

5.01. Form and Authorized Amount. The Bond shall be issued substantially in the form described above with such appropriate variations, omissions and insertions as are permitted or required by this Resolution. The terms of the Bond are set forth therein, and such terms, including, but not limited to, provisions as to interest rate, dates and amount of payment of principal and interest and prepayment privileges, are incorporated by reference herein. The initial interest rate on the Bond (until the Tender Date as defined in the Bond) shall not exceed an annual rate of 7.00%.

5.02. Execution. The Bond shall be executed on behalf of the City by the persons described in Section 4.01 hereof. In case any officer whose signature shall appear on the Bond shall cease to be such officer before the delivery thereof, such signature shall, nevertheless, be valid and sufficient for all purposes.

5.03. Delivery and Use of Proceeds. Prior to delivery of the Bond, the documents referred to in Section 3.02 hereof shall be completed and executed in form and substance as approved by the City. The City shall thereupon deliver to the holder the Bond together with a certified copy of this Resolution and such closing certificates as are required by bond counsel.

Section 6. Limitations of the City's Obligations.

6.01. Notwithstanding anything contained in the Bond Documents, the Bond, premium, if any, and interest thereon shall not constitute an indebtedness of the City within the meaning of any constitutional, charter or statutory limitation and shall not constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers and shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City other than its interest in the Project, and no Holder of the Bond shall ever have the right to compel any exercise of the taxing power of the City to pay the Bond or the interest thereon or to enforce payment thereof against any property of the City other than its interest in the Project. The agreement of the City to perform the covenants and other

provisions contained in this Resolution or the Bond Documents shall be subject at all times to the availability of revenues furnished by the Borrower sufficient to pay all costs of such performance or the enforcement thereof, and neither the City nor any of its officers, employees or agents shall be subject to any personal or pecuniary liability thereon.

Section 7. City Representative.

7.01. The Finance Officer or Assistant Finance Officer of the City is hereby designated and authorized to act on behalf of the City for purposes of the Bond Documents.

Section 8. Governmental Program.

8.01. The Bond is hereby designated as a "Program Bond" and is determined to be within the "Housing Program" and the "Program," all as defined in Resolution 88R-021 of the City adopted January 29, 1988, and as amended by Resolution 97R-402 of the City adopted December 12, 1997.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2004R-530
By Goodman and Johnson**

Adopting the St. Anne's Senior Housing Tax Increment Finance (TIF) Plan, and the St. Anne's Senior Housing Redevelopment Plan.

Resolved by The City Council of The City of Minneapolis:

Section 1. Recitals.

1.1. 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").

1.2. It has been proposed and the City has prepared, and this Council has investigated the facts with respect to, a proposed new St. Anne's Senior Housing TIF Plan, and a proposed new St. Anne's Senior Housing Redevelopment Plan ("together, the Plans"). The Plans establish a new redevelopment project area, establish objectives for redevelopment, identify land uses for the redevelopment of the project area, authorize the creation of a new housing tax increment finance district, designate property to be included within the boundaries of the proposed TIF district, authorize public redevelopment activities, and establish a budget for expenditures, all pursuant to and in accordance with the Project Laws.

1.3. The City has performed all actions required by law to be performed prior to the adoption of the Plans, including, but not limited to, a review of the proposed Plans by the affected neighborhood groups and the City Planning Commission, transmittal of the proposed Plans 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.

1.4. The Council hereby determines that it is necessary and in the best interests of the City at this time to approve the Plans to reflect project activities and costs in the Project Area and TIF District.

Section 2. Findings for the Adoption of the Plans; Creation of TIF District.

2.1. The Council finds, determines and declares that the St. Anne's Senior Housing TIF District is a housing district pursuant to Minnesota Statutes, Section 469.174, Subdivision 11. The proposed district is located within the St. Anne's Senior Housing Redevelopment Project, in accordance with the provisions of Minnesota Statutes Sections 469.001 through 469.047.

2.2. The Council further finds, determines and declares that low income housing is defined as housing affordable to families with incomes below 80 percent of the MMI family income, and further, that moderate income housing is defined as housing affordable to families with incomes between 80 percent

and 120 percent of the MMI family income; and further, moderate income is defined for this purpose in terms of the income levels for which the market does not provide housing without public assistance. In addition, 469.002, Subdivision 18, defines moderate income persons as "persons and their families whose income is not adequate to cause private enterprise to provide without governmental assistance a substantial supply of decent, safe, and sanitary housing at rents or prices within their financial means".

2.3. The Council finds, determines and declares that on July 31, 1998, the Council adopted by Resolution 98R-281 an Affordable Housing Policy for the City of Minneapolis documenting the growing shortage of decent, safe and affordable housing for low and moderate income families and individuals in the City. The City's Affordable Housing Policy states that projects that receive City financial assistance must either make at least 20% of the total project units affordable to households earning 50% of MMI or below, pay \$80,000 per affordable unit (20% of total project units) into the Affordable Housing Trust Fund, or provide the affordable units at a different, but comparable location.

2.4. The Council finds, determines and declares that the St. Anne's Senior Housing Project will contain 15 affordable rental units at 30% of Metropolitan Median Income (MMI) 33 affordable rental units at 50% of MMI, and 25 affordable rental units at or below 60% of MMI, for a total of 73 affordable rental units; therefore, the project complies with the City's Affordable Housing Policy, which requires that at least 15.4 units be affordable to low or moderate income households (i.e. 20% of 77 units). It is further found that the proposed project meets all of the income requirements for a Housing TIF District, and the establishment of the St. Anne's Senior Housing TIF district is fully justified to facilitate public development activities and expenditures to alleviate the current shortage of decent, safe, and affordable housing for low and moderate income households in Minneapolis.

2.5. The Council further finds, determines and declares that the fair market value of the low and moderate income housing project constitutes 90.2 % of the total valuation of the improvements constructed in the St. Anne's Senior Housing TIF District, pursuant to Minnesota Statutes, Section 469.174, Subdivision 11.

2.6. The Council further finds, determines and declares that the property to be included in the Redevelopment Project Area consists of 11 parcels including streets and alleys. Construction Management Specialist staff conducted inspections of the proposed redevelopment project area and TIF district. The proposed Redevelopment Project Area consists of six single family homes, three vacant lots and two commercial structures. All structures with the exception of one single family home and one commercial property are vacant. All of the structures are poorly maintained. One of the commercial properties is operating as a vehicle repair/tire service center. The three vacant lots are located on West Broadway. The deterioration of the vacant parcels undermines the value of adjacent property, constitutes a repository for debris, is a fire hazard, and may attract vagrants and criminal elements of the population. The vacant space is not only an uneconomic use of inner city real estate, but is considered a blighting condition. The majority of the buildings were built in the early 1900's; one commercial property was built in 1955. Based on the age of all of the structures and the absence of testing, all may be assumed to contain lead-based paint. All but one of the single family homes appears to be vacant. Several are open to the elements, lacking storm windows, screen inserts and/or prime doors. All have the original prime window units and doors and show no evidence of sidewall insulation. The homes do not meet the current State of Minnesota Energy Code Requirements. The commercial property is not barrier free and lacks adequate fire safety components. The two commercial buildings appear to be connected; mixed use occupancy of this type of business requires a separation of space for fires which includes self closing doors between areas. Based on the exterior condition and past permits, this property does not appear to meet this requirement. It is therefore found that the existing residential and commercial buildings were found to be detrimental to the "safety, health, morals, or welfare of the community" by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or lack of ventilation.

2.7. The Council hereby finds, determines and declares that the Plans will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the redevelopment of the Project Area by private enterprise, as the proposed redevelopment removes blight and blighting influences, and provides affordable rental housing opportunities for low and moderate income senior households. Adoption of the Plans is essential in order to finance a portion of the public redevelopment activities necessary to subsidize the extraordinary cost of providing affordable housing at this site. Rents are not sufficient to amortize the entire cost of this development. The proposed project meets the need for

affordable housing, creates a strong statement of progress along West Broadway, and eliminates the blighting influences of vacant and irregularly-shaped parcels of land. Rental revenue from the project is not sufficient to amortize the entire cost of site assembly, site work and new construction. 100% of the tax increment goes to amortize additional debt and reduces the need for other housing subsidy resources. St. Anne's Senior Housing project addresses three critical city, county and regional priorities: (1) the increasing need for senior housing as the population ages, (2) recycling and renovating senior homes for sale to new homeowners, (3) revitalization of the important West Broadway/Highway 81 corridor with transit-oriented development, and the proposed development is a more appropriate and substantially higher value of this currently underused site.

Redevelopment of commercial corridors and already developed sites cost more than the rents can support. If the total project cost were to be supported totally by rental income from the housing and commercial space, the rents would be completely unaffordable to most seniors, and most Minneapolis renters. Further, West Broadway would lose a chance for a high impact development that serves current and future seniors, as well as the new homeowners who will be able to purchase their homes. Without the housing recycling component, many of the homes would be purchased for use as rental units and the strongest affordable homeownership opportunities in our city would be lost.

The value of the tax increment financing will enable the St. Anne's Senior Housing development to offer a range of housing opportunities, including affordable rental units for senior citizens. This financing source is critical to ensuring the project is a financially viable long-term asset for the community. As the financial tools to support mixed-income, mixed-use development projects become more limited, the ability to recapture the value of the tax increment to capitalize the development is necessary to make this important project a reality. Without the tax increment financing, the project would be abandoned, as it is not possible to replace the revenue from the tax increment with any other available and attainable resource.

2.8. The Council further finds, determines and declares that the land in the Project Area would not be made available for redevelopment without the financial aid to be sought.

2.9. The Council further finds, determines and declares that the Plans conform to the general plan for the development or redevelopment of the City as a whole. Written comments of the Planning Commission with respect to the Plans were issued, are incorporated herein by reference, and are on file in the office of the City Clerk.

2.10. The Council further finds, determines and declares that the use of tax increment financing is deemed necessary as the proposed development would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the district permitted by the TIF plan. Because it is the opinion of the City that the proposed Project to be financed, in part, by this TIF District would not occur solely through private investment at this time, the City projects that the estimated market value of the site without the use of tax increment would remain at its present level. The calculations necessary to pass this test are contained in the TIF Plan on page 15. As shown there, the public redevelopment activity, expenditures, and market values associated with the redevelopment that is proposed in this plan results in a series of calculations and figures that clearly pass the market value test. It is therefore the opinion of the City that the development in this TIF District could not occur solely through private investment within the foreseeable future.

2.11. The Council further finds, determines and declares that the entire fiscal disparity contribution required of the City for development occurring within this district be taken from outside the St. Anne's Senior Housing TIF District. The election provided in the Minnesota Statutes Section 469.177, Subdivision 3, paragraph (a) is elected.

2.12. The Council finds additional public benefits will include blight remediation, tax base enhancement, and increased neighborhood livability. The creation of this TIF district is in the public interest because it will facilitate the development of a mixed-income senior housing project which will provide needed rental housing for low and moderate income senior households.

2.13. The Council further finds, determines and declares that it is necessary and in the best interests of the City at this time to approve the Plans.

2.14. The Council hereby finds, determines and declares that the objectives and actions authorized by the Plans are consistent with the undertaking of a redevelopment project area and housing TIF district, all pursuant to and in accordance with the Laws.

Section 3. Approval of the Plans; Creation of TIF District.

3.1. Based upon the findings set forth in Section 2, the St. Anne's Senior Housing TIF Plan, and the St. Anne's Senior Housing Redevelopment Plan 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 Plans.

4.1. 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 Plans, and for this purpose to negotiate, draft, prepare and present to this Council for its consideration, as appropriate, all further modifications, resolutions, documents and contracts necessary for this purpose.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2004R-531
By Goodman and Johnson**

Authorizing the issuance of a tax increment limited revenue note in substantially the form recited herein in a principal amount not exceeding \$719,900 in connection with the St. Anne's Senior Housing Project.

Whereas, the City of Minneapolis (the "City"), acting pursuant to Laws of Minnesota 2003, Chapter 127, Article 12, Sections 31-34, and Minneapolis Code of Ordinances, Chapter 415, has certain powers, including without limitation the powers set forth in Minnesota Statutes, Sections 469.001 through 469.047, as amended (the "HRA Act") and Minnesota Statutes, Sections 469.174 through 469.179, as amended (the "TIF Act"); and

Whereas, in furtherance of the objectives of the HRA Act, the City has undertaken programs for the clearance and reconstruction or rehabilitation of blighted, deteriorated, deteriorating, vacant, unused, underused or inappropriately used, areas of the City, and the development of housing for persons of low and moderate incomes, and in this connection the City is carrying out a redevelopment project known as the St. Anne's Senior Housing Redevelopment Project (the "Project") pursuant to the St. Anne's Senior Housing Redevelopment Plan dated October 25, 2004 and adopted November 19, 2004 (the "Redevelopment Plan"); and

Whereas, pursuant to the TIF Act and in furtherance of the Redevelopment Plan, the City has approved the St. Anne's Senior Housing Tax Increment Financing Plan dated October 25, 2004 and adopted November 19, 2004 (the "TIF Plan"); and

Whereas, pursuant to the TIF Plan and the TIF Act, specifically Minnesota Statutes, Section 469.178, subd. 4, the City is authorized to issue its tax increment limited revenue note(s) to finance the public redevelopment costs of the Project; and

Whereas, the City has entered or will enter into a redevelopment contract (the "Redevelopment Contract") with St. Anne's A Limited Partnership, a Minnesota limited partnership (the "Developer"), pursuant to which the City will provide tax increment financing assistance and the Developer will develop a 77-unit rental housing project, with 73 affordable housing units, and related site and public improvements;

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

1. That it is desirable that the City issue a tax increment limited revenue note (the "Note") in substantially the following form:

[Form of Note]

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF HENNEPIN
CITY OF MINNEAPOLIS
TAX INCREMENT LIMITED REVENUE NOTE
(St. Anne's Senior Housing Project)

The City of Minneapolis (the "City"), hereby acknowledges itself to be obligated and, for value received, promises to pay to the order of St. Anne's A Limited Partnership, a Minnesota corporation (the "Developer"), solely from the source, to the extent and in the manner hereinafter provided, the principal amount of this Note, being Seven Hundred Nineteen Thousand Nine Hundred and no/100 Dollars (\$719,900) or such lesser amount as may equal the Public Redevelopment Costs, with interest at the Note Rate, in the installments specified in this Note, on the Payment Dates.

Capitalized terms not defined elsewhere in this Note shall have the meanings below:

"Available Tax Increment" means the Tax Increment received by the City during the period preceding each Payment Date, less (i) the amount of Tax Increment, if any, which the City must pay to the school district, the county and the state pursuant to Minnesota Statutes, Sections 469.177, Subds. 9, 10, and 11; 469.176, Subd. 4h; and 469.175, Subd. 1a, as the same may be amended from time to time; and (ii) actual administrative costs of the City in an amount not to exceed 10% of the Tax Increment.

"Contract" means that certain Redevelopment Contract by and between the City and the Developer dated [insert date].

"District" means the St. Anne's Senior Housing Tax Increment Financing District within the Project.

"Maturity Date" means the earlier of (i) February 1 of the year following the final year of Tax Increment collection from the District; and (ii) the date when the principal and interest amount of this Note has been paid in full.

"Minimum Improvements" means a 77-unit rental housing project, with 73 affordable housing units, and related site and public improvements as further described in the Contract.

"Note Rate" means [TBD, but not to exceed six percent (6%) per annum] annual interest.

"Payment Date" means August 1 of the year of first increment collection from the District and each August 1 and February 1 thereafter until the Maturity Date.

"Project" means the St. Anne's Senior Housing Redevelopment Project.

"Property" means the real property legally described in the attached Exhibit A.

"Public Redevelopment Costs" means Public Redevelopment Costs as defined in and approved by the City pursuant to the Contract.

"Public Redevelopment Costs Certification" means a certificate in substantially the form attached to the Contract, by which the City certifies the Public Redevelopment Costs pursuant to the terms of the Contract.

"Tax Increment" means that portion of the property taxes generated by the Property and Minimum Improvements that is actually remitted to the City as tax increment under the Tax Increment Act.

"Tax Increment Act" means Minnesota Statutes, Section 469.174-469.179, as amended, or any successor statutes applicable to the District.

"TIF Plan" means the St. Anne's Senior Housing Tax Increment Financing Plan dated October 25, 2004 adopted November 19, 2004.

On each Payment Date, the City shall pay the Developer an installment equal to the lesser of (i) the Available Tax Increment or (ii) the amount necessary to pay the accrued unpaid interest and the unpaid principal amount of this Note in full. The City shall have no obligation to pay principal of and interest on this Note from any source other than Available Tax Increment. Failure to make a scheduled payment shall not constitute a default under this Note so long as the City pays principal and interest hereon to the extent of the Available Tax Increment.

If before the issuance of the Certificate of Completion (as defined in the Contract) the Developer defaults under the Contract and such default has not been cured within the time period provided in the Contract, then the City may suspend payment on this Note until the default is cured or the Contract and the City's obligations under this Note are terminated. If the City suspends payments due under the Note, the City shall make the suspended payments to the Developer within five (5) business days after the Developer has cured the default. The City is not obligated to pay interest on the amount of the suspended

payments between the date the payment is suspended and the last date on which the City is obligated to make the suspended payments to the Developer. If all or a portion of the property taxes due and owing on the Minimum Improvements are not paid, then upon such failure to pay, no interest as required by the Note shall accrue on an amount equal to the amount of the Available Tax Increment that would have been paid to the City had such property tax amounts been paid.

Interest shall accrue on the initial principal amount of this Note from the date of issue of the Public Redevelopment Costs Certification. Each payment under this Note, whether a scheduled payment or any other payment, shall be applied first to current interest, then to accrued unpaid interest and then to the unpaid principal amount of this Note.

On the Maturity Date, this Note shall be deemed paid in full and the City shall have no further obligation under this Note even if the aggregate of the Available Tax Increment that has actually been paid to the Developer on the Payment Dates is less than the full principal and interest amount of this Note. The obligation of the City to make any scheduled payment shall terminate if and to the extent that the full principal and interest amount of this Note has been paid in full. This Note may be prepaid in full or in part at any time without penalty.

Each payment on this Note is payable in any coin or currency of the United States of America which on the date of such payment is legal tender for public and private debts and shall be made by wire transfer according to written wire transfer instructions provided by the Developer or by check or draft made payable to the Developer and mailed to the Developer at 1300 Nicollet Mall Suite 600 Minneapolis MN 55403, or such other address as the Developer shall provide in writing to the City's notice address as set forth in the Contract.

The Note is a special and limited obligation and not a general obligation of the City, which has been issued by the City pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Section 469.178, subdivision 4, to aid in financing a "project", as therein defined, of the City consisting generally of defraying certain public redevelopment costs incurred by the Developer within and for the benefit of the Project.

THE NOTE IS NOT A DEBT OF THE STATE OF MINNESOTA (THE "STATE"), OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY OF MINNEAPOLIS, MINNESOTA, EXCEPT THAT THE CITY SHALL BE OBLIGATED TO MAKE PAYMENTS FROM AVAILABLE TAX INCREMENT AS SET FORTH HEREIN, AND NEITHER THE STATE NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY, SHALL BE LIABLE ON THE NOTE, EXCEPT FOR THE CITY'S OBLIGATION TO MAKE PAYMENTS FROM AVAILABLE TAX INCREMENT AS SET FORTH HEREIN, NOR SHALL THE NOTE BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN AVAILABLE TAX INCREMENT AS SET FORTH HEREIN.

This Note shall not be transferred to any person, unless the City has been provided with an opinion of counsel acceptable to the City that such transfer is exempt from registration and official statement delivery requirements of federal and applicable state securities law and an investment letter executed by the transferee in a form reasonably acceptable to the City.

This Note shall not be payable from or constitute a charge upon any funds of the City, and the City shall not be subject to any liability hereon or be deemed to have obligated itself to pay hereon from any funds except the Available Tax Increment, and then only to the extent and in the manner herein specified.

The Developer shall never have or be deemed to have the right to compel any exercise of any taxing power of the City or of any other public body, and neither the City nor any person executing or registering this Note shall be liable personally hereon by reason of the issuance of registration thereof or otherwise.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and the laws of the State of Minnesota to be done, to have happened, and to be performed precedent to and in the issuance of this Note have been done, have happened, and have been performed in regular and due form, time, and manner as required by law; that this Note is issued pursuant to the Tax Increment Act; and that this Note together with all other indebtedness of the City outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the City to exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, the City of Minneapolis, by action of its Mayor and City Council, has caused this Note to be executed by the manual signature of its Finance Officer, and has caused this Note to be dated [insert date].

CITY OF MINNEAPOLIS

By _____

Patrick Born
Its Finance Officer

Approved as to form:

Assistant City Attorney

EXHIBIT A TO NOTE

[Legal Description of the Property to be Inserted at Closing]

2. Be It Further Resolved that the form of the Note is hereby approved and shall be executed by the Finance Officer in substantially the form on file, with such changes therein not inconsistent with law as the Finance Officer may approve, which approval shall be conclusively evidenced by the execution thereof.

3. Be It Further Resolved that all actions of the members, employees and staff of the City heretofore taken in furtherance of the issuance of the Note are hereby approved, ratified and confirmed.

4. Be It Further Resolved that the sale of said Note to the Developer is hereby approved, and the Note is hereby directed to be sold to the Developer, upon the terms and conditions set forth in the Redevelopment Contract.

5. Be It Further Resolved that the Finance Officer is hereby authorized and directed to execute such other documents, agreements and certificates as may be required in connection with the Note.

6. Be It Further Resolved that no provision, covenant or agreement contained in the aforementioned documents, the Note or in any other document related to the Note, and no obligation therein or herein imposed upon the City or the breach thereof, shall constitute or give rise to 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 tax increment revenues which are to be applied to the payment of the Note, as provided therein and in the Redevelopment Contract. The Note shall not constitute a charge, lien or encumbrance, legal or equitable upon any property or funds of the City except that revenue and proceeds pledged to the payment thereof, nor shall the City be subject to any liability thereon. The holders of the Note shall never have the right to compel any exercise of the taxing power of the City to pay the outstanding principal on the Note or the interest thereon, or to enforce payment hereon against any property of the City. The Note shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation.

7. Be It Further Resolved that the Note, when executed and delivered, shall contain a recital that it is issued pursuant to the TIF Act, and such recital shall be conclusive evidence of the validity of the Note 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 Note and to the execution of the aforementioned documents to happen, exist and be performed precedent to and in the enactment of this resolution, and precedent to issuance of the Note and precedent to the execution of the aforementioned documents have happened, exist and have been performed as so required by law.

8. Be It Further Resolved that this resolution shall be in full force and effect from and after its date of publication.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-532
By Goodman and Johnson

Amending The 2004 General Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by increasing the appropriation for the Community Development Levy fund (Fund SCD) by \$468,000.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Comm Dev & W&M/Budget - Your Committee recommends passage of the accompanying resolution adopting Modification No. 101 to the Common Development and Redevelopment Plan and Common Tax Increment Financing Plan, changing the proposed reuse of property located at 343 13th Av NE from public use to commercial/commercial entertainment, to allow rehabilitation and reuse of the Ritz Theater for performance and related office use.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Resolution 2004R-533 adopting Modification No. 101 to the Common Development and Redevelopment Plan and Common Tax Increment Financing Plan to allow rehabilitation and reuse of the Ritz Theater at 343 13th Av NE, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-533
By Goodman and Johnson

Adopting Modification No 101 to the Common Development and Redevelopment Plan and the Common Tax Increment Financing Plan.

Resolved by The City Council of The City Of Minneapolis:

Section 1. Recitals.

1.1. 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, 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").

1.2. That by Resolution No 89R-530 duly adopted December 15, 1989 and approved December 21, 1989, the City has approved the creation of the Common Development and Redevelopment Project ("the Common Project Area") and the adoption of the Common Development and Redevelopment Plan and the Common Tax Increment Financing Plan (the "Common Plans") relating thereto, all pursuant to the Project Laws.

1.3. It has been proposed and the City has prepared, and this Council has investigated the facts with respect to, a proposed Modification No 101 to the Common Plans (the "Modification"), changing the reuse of property located at 343 13th Avenue Northeast from Public Use to Commercial/Commercial-Entertainment, to allow rehabilitation and reuse of the Ritz Theatre for performance and related office use.

1.4. The City has performed all actions required by law to be performed prior to the adoption of the Modification, including, but not limited to, a review of the proposed Modification by the affected

neighborhood group and the City Planning Commission, transmittal of the proposed Modification 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.

1.5. The Council hereby determines that it is necessary and in the best interests of the City at this time to approve the Modification to reflect the change in reuse of the property at 343 13th Avenue Northeast.

Section 2. Findings for the Adoption of the Modification.

2.1. The Council hereby finds, determines and declares that the Modification will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the redevelopment of the project by private enterprise.

2.2. The Council further finds additional public benefits will include blight remediation, tax base enhancement, and increased neighborhood livability.

2.3. The Council further finds, determines and declares that the Modification conforms to the general plan for the development or redevelopment of the City as a whole. Written comments of the Planning Commission with respect to the Modification were issued, are incorporated herein by reference, and are on file in the office of the City Clerk.

2.4. The Council further finds, determines and declares that it is necessary and in the best interests of the City at this time to approve the Modification.

Section 3. Approval of the Modification.

3.1. Based upon the findings set forth in Section 2, Modification No 101 to the Common Plans presented to the Council on this date is hereby approved and shall be placed on file in the office of the City Clerk.

Section 4. Implementation of the Modification.

4.1. After passage and publication of this Resolution, 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 Modification, and for this purpose to negotiate, draft, prepare and present to this Council for its consideration, as appropriate, all further modifications, resolutions, documents and contracts necessary for this purpose.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Comm Dev & W&M/Budget - Your Committee recommends passage of the accompanying resolution authorizing City staff to take certain actions throughout 2005 in order to utilize tax-exempt revenue bond financing for Minneapolis revenue bond projects.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Resolution 2004R-534 authorizing the appropriate City staff to take certain actions throughout 2005 in order to utilize tax-exempt revenue bond financing, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2004R-534
By Goodman and Johnson**

Authorizing certain actions throughout 2005 in order for the City to utilize tax-exempt revenue bond financing for various City industrial/manufacturing projects.

Resolved by The City Council of The City of Minneapolis:

Authorization of the following:

a) Establishment of an Accounts Receivable – Bond Commitment Fees – to allow Community Planning and Economic Development (CPED) Department staff to perform all necessary

transactions regarding State-required Allocation Deposit payments on behalf of the City of Minneapolis.

At no time will City funds be at risk in relation to these payments; net cost to the City of these transactions is zero. Any interest earnings on such deposits will be kept by the State.

Said Accounts Receivable – bond Commitment Fees – is to be established in Fund SED0 or such fund as is determined by the CPED Director. The maximum payments are to be sufficient to secure necessary issuance authority. Authorized payment/reimbursement may involve the City, the State, bond applicants and other entitlement issuers.

b) The CPED Director is to inform the State of the City of Minneapolis' intent to issue bonds, to use Joint Power Agreements, to pay or refund Allocation Deposits, and all other notices necessary to ensure the ability of the City of Minneapolis to issue bonds throughout the year.

c) That full reimbursement to the City, of all Allocation Deposits, be required of bond applicants and of other entitlement issuers under Joint Power Agreements.

d) Appropriate staff is to charge bond applicants a pro rata share of legal and other expenses associated with the City's execution of Joint Power Agreements, if such bond is issued under bond issuance authority gained by the City with a Joint Powers Agreement.

e) The CPED Director is to negotiate and enter into Joint Power Agreements with other entitlement issuers, for the exchange of bond issuance authority to benefit the City of Minneapolis by increasing/decreasing bond issuance authority. Such Joint Power Agreements will allow for proper payment/receipt of fees and expenses required for the exchange of issuance authority. Payments will be made from such fund as may be determined by the CPED Director.

f) The CPED Director is to approve City of Minneapolis applications to State bond issuance authority pools and payments of any additional Allocation Deposits required.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Comm Dev & W&M/Budget - Your Committee recommends approval of the Upper Harbor Terminal Operating Budget for 2005 (as included in Petn No 270008).

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Comm Dev & W&M/Budget - Your Committee recommends passage of the accompanying resolution increasing revenue estimates and appropriating funds in the amount of \$35,000 to the Community Planning and Economic Development (CPED) Agency for the purpose of environmental testing for the Sawmill Run project.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

**RESOLUTION 2004R-535
By Goodman and Johnson**

Amending The 2004 General Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, as follows:

a) Increasing the 2004 Revenue Budget for the Community Planning and Economic Development Agency, Fund CBF - North Loop (CBF0-890-8490) by \$35,000;

b) Increasing appropriation for the Community Planning and Economic Development Agency, Fund CBG - North Loop (CBF0-890-8952) by \$35,000;

c) Increasing the 2004 Revenue Budget for the Community Planning and Economic Development, Fund SDA - Development Account (SDA0-890-8490) by \$35,000; and

d) Increasing the appropriation for the Community Planning and Economic Development Agency, Fund SDA - Development Account (SDA0-890-8952) by \$35,000.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Comm Dev & W&M/Budget - Your Committee, having under consideration the matter of renewal of theatre insurance coverage, now recommends that the proper City officers be authorized to purchase insurance from St. Paul Travelers Insurance Company to provide property and business interruption insurance for the State, Orpheum, Pantages, and Hennepin Stages Theatres, and property insurance for the Orpheum Skyway and Stimson Building for a one-year period commencing November 30, 2004 and ending November 30, 2005, subject to the proposed conditions included in Petn No. 270008.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Johnson Lee.

Comm Dev & W&M/Budget - Your Committee, having under consideration the Theatre Study Committee Recommendation on Proposals for the Operation and booking of the Orpheum, State and Pantages Theatres, now recommends:

a) Approval of the Theatre Study Committee recommendation to award exclusive negotiating rights for a period of 120 days to the team comprised of Hennepin Theatre Trust, Historic Theatre Group, Ltd, and Clear Channel Entertainment for the operation, booking and disposition of the Orpheum, State and Pantages Theatres;

b) Approval of the staff recommendation to amend the Management Agreement with Historic Theater Group, Ltd., the Master Use Agreement with Hennepin Theatre Trust and related agreements to allow for management and booking of the theatres and the Broadway season to extend from June 30, 2006 until June 30, 2007 to avoid potential loss of advance booking of Broadway shows;

c) That the proper City staff be directed to add to their negotiation objectives to conclude a negotiation with an entity that would include no change in working control and assignability under the rights of the contract.

Lilligren moved that the report be amended by adding:

d) That the proper City staff be directed to add to their negotiation objectives the annual production of local communities of color arts series and commit to spending a percentage of marketing budgets to attract communities of color to all plays and programs presented during the contract, and that goals be set for minority/ethnic media participation in these outreach efforts;

e) That the proper City staff be directed to add to their negotiation objectives the creation of a schedule and a method of financial support for opportunities for local performing artists and companies;

f) That the proper City staff be directed to add to their negotiation objectives the creation and funding of a community arts education and outreach program. Seconded.

Adopted upon a voice vote.

Ostrow moved to amend the report, as amended, as follows:

That the subject matter of the management of the Hennepin Avenue Theatres be postponed for one cycle with the following staff direction:

Staff shall provide a written summary of the conclusions and analysis of the Theatre Working Group providing a basis for its evaluation of the proposals and its recommendation by December 3, 2004. The staff report shall specifically address the goals identified by the Study Group as follows:

a) Support a diversity and frequency of programming in order to maximize the economic impact of the Theatres on the City of Minneapolis. In presenting its conclusions, staff shall address the following related issues:

1. The advantage and/or disadvantage of a unified theatre program for Minneapolis and St. Paul on the success of the Hennepin Avenue Theatres;

2. The advantages and/or disadvantages of Clear Channel's association with the incumbent manager in the diversity and frequency of programming;

b) Demonstrate a focus on preservation of the Theatres as a long-term legacy for future generations of Minneapolis citizens. In presenting its conclusions, staff shall address the following related issues:

1. The importance of an organization exclusively committed to the Hennepin Avenue theatres on preservation of this long term legacy;

2. Succession planning as to any of the proposed operators of the theatres;

c) Seek to minimize the operational involvement of the City in the Theatres, while remaining accountable to the City regarding booking activity, long-term maintenance, and governance;

d) Provide active leadership for the continued development of the Hennepin Theatre District;
e) Establish the capability to meet the Theatres' current and longer-term debt and capital improvement needs through operating and presenting profits, user fees, and other private funding. In presenting its conclusions, staff shall address the following related issues:

1. The fundraising capacity and track record of the proposers;
2. The long term financial security offered by the proposals in minimizing the city's long term exposure for debt, capital improvements and maintenance;
3. The advantages and disadvantages to lease and sale options and long vs. shorter term agreements on meeting this goal;
4. If a sale is contemplated, the manner in which the City will be assured of payment of fair market value for the theatres;

f) Propose a strategy for a community arts education and outreach program.

Staff shall address additional information or criteria to the extent that information and criteria formed the basis for the Task Force's recommendations. Seconded.

Lost. Yeas, 5; Nays, 7 as follows:

Yeas - Zimmermann, Zerby, Niziolek, Lane, Ostrow.

Nays - Samuels, Johnson, Colvin Roy, Schiff, Lilligren, Benson, Goodman.

Absent - Johnson Lee.

Ostrow moved to amend the report, as amended, by adding the following:

"Any agreement shall be subject to renewal by the Council at intervals of not more than 10 years." Seconded.

Lost. Yeas, 4; Nays, 7 as follows:

Yeas - Zimmermann, Zerby, Lane, Ostrow.

Nays - Samuels, Johnson, Colvin Roy, Schiff, Lilligren, Benson, Goodman.

Absent - Johnson Lee.

Ostrow moved to amend the report, as amended, by adding the following:

"Prior to any transfer of ownership of the Hennepin Avenue theaters, the City shall obtain an appraisal and shall insure that present fair market value for the theaters is or has been paid for the theaters." Seconded.

Benson moved to substitute that the Ostrow motion be approved as a staff direction. Seconded.

The motion to substitute was adopted upon a voice vote.

The substituted motion was adopted upon a voice vote.

The report, as amended, was adopted 11/19/04.

Yeas, 7; Nays, 4 as follows:

Yeas - Samuels, Johnson, Colvin Roy, Schiff, Lilligren, Benson, Goodman.

Nays - Zimmermann, Zerby, Lane, Ostrow.

Declining to vote - Niziolek.

Absent - Johnson Lee.

The **HEALTH & HUMAN SERVICES** and **WAYS & MEANS/BUDGET** Committees submitted the following reports:

H&HS & W&M/Budget - Your Committee recommends that the proper City Officers be authorized to submit a grant application to the United States Department of Health and Human Services to continue funding for the Twin Cities Healthy Start Initiative, which reduces infant mortality and improves perinatal outcomes among the American Indian and African American communities of Minneapolis and St. Paul. The City is eligible to apply for first-year funding of \$925,000 under a four-year performance period.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

H&HS & W&M/Budget - Your Committee recommends that the proper City Officers be authorized to hire part-time grant funded, intermittent permit nurses at Step 6 of the Public Health Nurse I salary schedule for the School Based Clinics.

Adopted 11/19/04.
Absent - Johnson, Zimmermann, Schiff, Johnson Lee.
Approved by Mayor Rybak 11/19/04.
(Published 11/23/04)

The **INTERGOVERNMENTAL RELATIONS** Committee submitted the following report:

IGR – Your Committee recommends passage of the accompanying resolution requested the Neighborhood Revitalization Program (NRP) to provide proposed legislation amending NRP statues in writing to the City of Minneapolis.

Adopted 11/19/04.
Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Resolution 2004R-536, requesting the Neighborhood Revitalization Program (NRP) to provide proposed legislation amending NRP statues in writing to the City of Minneapolis, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-536
By Ostrow, Lane and Benson

Requesting the Neighborhood Revitalization Program (NRP) to provide proposed legislation amending NRP statues in writing to the City of Minneapolis.

Resolved by The City Council of The City of Minneapolis:

That the City of Minneapolis formally requests that the Neighborhood Revitalization Program (NRP) Policy Board and NRP staff provide copies of all proposed legislation amending the NRP statutes, or any other legislation impacting the NRP or the City's obligation to fund the NRP, to the President of the City Council and to the leader of the other governing boards.

Be It Further Resolved that the City of Minneapolis further requests that all amendments to the NRP statutes, or any other legislation impacting the NRP or the City's obligation to fund the NRP, that are proposed or supported by the NRP Policy Board or by NRP staff be provided at least thirty (30) days in advance of introduction to the legislature.

Adopted 11/19/04.
Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

The **PUBLIC SAFETY & REGULATORY SERVICES** Committee submitted the following reports:

PS&RS - Your Committee, to whom was referred an ordinance amending Title 13, Chapter 320 of the Minneapolis Code of Ordinances relating to *Licenses and Business Regulations: Vehicle Immobilization Service* to prohibit vehicle immobilization services in the City of Minneapolis, now recommends that a task force be established to include representatives from the industry, from businesses that utilize immobilization services, individuals who have had their vehicles immobilized, and Licenses and City Attorney staff. The task force shall report back to the Public Safety & Regulatory Services Committee at the end of January. Issues to be addressed include:

- a. problems when multiple businesses use the same parking lot.
- b. the issue of signage and notice.
- c. technology improvements that could help produce a receipt when a customer has paid for parking.
- d. establishment of a grievance process that could impact licensure for businesses that engage in questionable practices.

Zerby moved to amend the report by adding an item "e" to read as follows:

"e. problems arising from patrolling of lots by booting company employees." Seconded.

Adopted upon a voice vote.

The report, as amended, was adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

PS&RS - Your Committee, to whom was referred an ordinance amending Title 13, Chapter 342, Article V of the Minneapolis Code of Ordinances relating to *Licenses and Business Regulations: Taxicabs - Fares and Charges*, adding a 50 cent charge to the flag drop, now recommends that said ordinance be given its second reading for amendment and passage.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

Ordinance 2004-Or-134 amending Title 13, Chapter 341 of the Minneapolis Code of Ordinances relating to *Licenses and Business Regulations: Taxicabs*, amending Section 341.720 to add a 50 cent charge to the flag drop, was passed 11/19/04 by the City Council. A complete copy of this ordinance is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized ordinance.

ORDINANCE 2004-Or-134
By Johnson Lee
Intro & 1st Reading: 10/22/04
Ref to: PS&RS
2nd Reading: 11/19/04

Amending Title 13, Chapter 341, Article V of the Minneapolis Code of Ordinances relating to Licenses and Business Regulations: Taxicabs - Fares and Charges.

The City Council of the City of Minneapolis do ordain as follows:

Section 1. That Section 341.720 of the above-entitled ordinance be amended to read as follows:

341.720. Mileage charges. The maximum rate of fare based upon mileage shall be as follows:
For each load of five (5) passengers, or less, for the first one-eighth (1/8) mile or fraction thereof . . . ~~\$2.00~~
\$2.50

For each succeeding one-eighth (1/8) of a mile, or fraction thereof . . . 0.20

A driver may require a four dollar (\$4.00) minimum charge to employ any taxicab in Minneapolis. If a driver chooses to require a minimum fare, the minimum charge shall be displayed on both sides and the rear of each vehicle. In addition, such notice of minimum charge shall be posted inside in a manner clearly legible to passengers, nor shall any operator be barred from offering a discount to senior citizens whom have attained the age of sixty-five (65) years of age.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

PS&RS - Your Committee, having under consideration the application of Infinite Holdings Ltd, dba Pressbox, 328 S 3rd St, for an On-Sale Liquor Class B with Sunday Sales License (new ownership from Reese-Brooks Inc and upgrade from Liquor Class E with Sunday Sales) to expire April 1, 2005, and a Sidewalk Cafe License (expansion of Sidewalk Cafe area and new proprietor) to expire April 1, 2005, and having held a public hearing thereon, now recommends that said license be granted, subject to final inspection and compliance with all provisions of applicable codes and ordinances.

Adopted 11/19/04.

Declining to Vote - Benson.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

PS&RS - Your Committee, having under consideration the application of COD Jr Incorporated, dba Cloggy's Tavern, 5404 34th Av S, for an On-Sale Beer Class E License (change in ownership from J &

D Sunrise Corporation) to expire April 1, 2005, now recommends that said license be granted, subject to final inspection and compliance with all provisions of applicable codes and ordinances.

Adopted 11/19/04.

Declining to Vote - Benson.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

(Published 11/23/04)

PS&RS - Your Committee recommends passage of the accompanying Resolution granting the application of Nino's Pizza Plus, 4729 Lyndale Av N, for a Provisional Restaurant License, subject to conditions.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

Resolution 2004R-537, granting the application of Nino's Pizza Plus, 4729 Lyndale Av N, for a Provisional Restaurant License, subject to conditions, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-537

By Niziolek

Granting the application of Nino's Pizza Plus, 4729 Lyndale Av N, for a Provisional Restaurant License, subject to conditions.

Resolved by The City Council of The City of Minneapolis:

That it grants the application submitted by Randson Inc, dba Nino's Pizza Plus, 4729 Lyndale Av N, for a Provisional Restaurant License (new proprietor) to expire April 1, 2005, subject to the following conditions, as more fully set forth in Petn No 270018 on file in the Office of the City Clerk and made a part of this Resolution by reference:

- a. the domestic Sanyo cooler will be removed from the back area by September 14, 2004.
- b. all domestic cooking equipment such as the many roaster pans will be removed by September 14, 2004.
- c. domestic chest freezers will be removed from the back area by October 31, 2004.
- d. the dish machine will be in working order or it will be removed or replaced by October 31, 2004.
- e. a food prep sink will be installed by February 28, 2005.
- f. a mop sink will be installed by February 28, 2005.
- g. plans must be submitted to the Environmental Health Division and be approved with proper construction permits obtained prior to the start of any remodeling or any addition of equipment.
- h. the ventilation system will be inspected, and any and all orders issued must be completed according to Inspector Lloyd Lewis.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

PS&RS - Your Committee recommends passage of the accompanying Resolution granting the application of Cafe Blue, 2524 Nicollet Av, for a Restaurant License, subject to conditions.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

Resolution 2004R-538, granting the application of Cafe Blue, 2524 Nicollet Av, for a Restaurant License, subject to conditions, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-538

By Niziolek

Granting the application of Cafe Blue, 2524 Nicollet Av for a Restaurant License, subject to conditions.

Resolved by The City Council of The City of Minneapolis:

That it grants the application submitted by Samantha Nguyen, dba Cafe Blue, 2524 Nicollet Av, for a Restaurant License (new business) to expire April 1, 2005, subject to the following conditions, as more fully set forth in Petn No 270018 on file in the Office of the City Clerk and made a part of this Resolution by reference:

- a. due to the premises parking being located off the alley, a sign must be placed in the front window referring customers to park in the alley. This sign must be installed before the start of business.
- b. the licensee understands they applied for a restaurant license, and that no entertainment is allowed.
- c. the approved hours of operation are Sunday to Thursday, 6:00 a.m. to 10:00 p.m., and Friday and Saturday, 6:00 a.m. to 11:00 p.m. Any additional hours will require a Conditional Use Permit from the Zoning Office. No other activities are allowed in the business premises after these hours.
- d. no gambling or gambling devices are allowed in the business premises.
- e. the licensee understands that the business does not have a beverage alcohol license and no beverage alcohol can be stored on the business premises.
- f. the licensee is required to clean the business premises within 100 feet, both front and rear, on a daily basis. All trash shall be stored in a dumpster, and the dumpster shall be in an enclosed fence area.
- g. the licensee understands that they are only approved to offer beverages or pre-packaged foods, and that the Environmental Health Division did not approve their facility to prepare food on the premises. If it is the intention of the licensee to prepare foods, permission must be obtained from Environmental Health before food preparation begins.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

PS&RS - Your Committee recommends passage of the accompanying Resolution granting applications for Liquor, Wine and Beer Licenses.

Adopted 11/19/04.

Declining to Vote - Benson.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

Resolution 2004R-539, granting applications for Liquor, Wine and Beer Licenses, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-539

By Niziolek

Granting Liquor, Wine and Beer Licenses.

Resolved by The City Council of The City of Minneapolis:

That the following applications for liquor, wine and beer licenses be granted:

On-Sale Liquor Class A with Sunday Sales, to expire January 1, 2005

SHP DT Bevlow Inc, dba Minneapolis Doubletree, 1101 LaSalle Av (new shareholder/partner);

On-Sale Liquor Class B with Sunday Sales, to expire October 30, 2004

Manzanillo Ventures, dba Neighborhood Festival, 355 Monroe St NE (temporary expansion of premises with entertainment, October 29 & 30, 2004, 4:00 p.m. to 10:30 p.m. in parking lot);

On-Sale Liquor Class B with Sunday Sales, to expire July 1, 2005

Minneapolis 0052 LLC, dba Lodge Bar, 15 S 5th St;

On-Sale Liquor Class B with Sunday Sales, to expire October 1, 2005

Ukrainian American Community Center Inc, dba Ukrainian American Community Center, 301 Main St NE (downgrade from Liquor Class A with Sunday Sales);

On-Sale Liquor Class E with Sunday Sales, to expire January 1, 2005

Bilimbi Bay Minnesota LLC, dba Bilimbi Bay, 1400 Lagoon Av (new manager);

On-Sale Liquor Class E with Sunday Sales, to expire October 1, 2003

Liquor Bottle Club, to expire April 1, 2005

Ames Lodge #106, dba Elk's Lounge, 1614 Plymouth Av N;

Latvian House Inc, dba Latvian House, 2337 Central Av NE;

Vincent L Giantvalley Post #234, dba American Legion Department of Minnesota, 3751 Minnehaha Av;

Wold-Chamberlain Post #99, dba American Legion, 5600 34th Av S;

Temporary On-Sale Wine

Southern Theater Foundation, dba Southern Theater, 1420 Washington Av S (November 13, 2004 in lobby of theater; Licensed Facilitator: Town Hall Brewery);

On-Sale Beer Bottle Club, to expire April 1, 2005

Vincent L Giantvalley Post #234, dba American Legion, 3751 Minnehaha Av;

Wold-Chamberlain American Legion, dba Post #99, 5600 34th Av S.

Adopted 11/19/04.

Declining to Vote - Benson.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

PS&RS - Your Committee recommends passage of the accompanying Resolution granting applications for Business Licenses.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

Resolution 2004R-540, granting applications for Business Licenses, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-540

By Niziolek

Granting applications for Business Licenses.

Resolved by The City Council of The City of Minneapolis:

That the following applications for business licenses (including provisional licenses) as per list on file and of record in the Office of the City Clerk under date of November 19, 2004 be granted, subject to final inspection and compliance with all provisions of the applicable codes and ordinances (Petn No 270018):

Place of Amusement Class B-1; Bed & Breakfast Facility; Caterers; Grocery; Indoor Food Cart; Food Manufacturer; Restaurant; Short Term Food Permit; Vending Machine; Gasoline Filling Station; Hospital; Hotel/Motel; Juke Box - Musical; Lodging House with Boarding; Motor Vehicle Repair Garage; Towing Class B; Commercial Parking Lot Class A; Pet Shop; Plumber; Residential Specialty

Contractor; Antique Dealer Class B; Antique Mall Operator Class B; Solid Waste Hauler; Suntanning Facility; Taxicab Limited; Taxicab Vehicle; Tree Servicing; and Wrecker of Buildings Class A.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

PS&RS - Your Committee recommends passage of the accompanying Resolution granting applications for Gambling Licenses.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

Resolution 2004R-541, granting applications for Gambling Licenses, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-541

By Niziolek

Granting applications for Gambling Licenses.

Resolved by The City Council of The City of Minneapolis:

That the following applications for gambling licenses be granted, subject to final inspection and compliance with all provisions of the applicable codes and ordinances:

Gambling Class B

Baseline Club, dba Baseline Club, 25 University Av SE (Site: Frog Eyes, 312 Central Av);

Gambling Lawful Exempt

Winter Carnival Ambassadors, dba Winter Carnival Ambassadors, 4645 Barato Ct, Inver Grove Heights (Raffle January 22, 2005 at Four Points Sheraton, 1330 Industrial Blvd);

All Saints Catholic Church, dba All Saints Catholic Church, 435 4th St NE (Bingo November 21, 2004).

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

PS&RS - Your Committee, having under consideration the property located at 4230 Irving Av N which has been deemed by the Director of Inspections to constitute a nuisance condition within the meaning of Chapter 249 of the Minneapolis Code of Ordinances, now recommends that the proper City Officers be authorized to demolish said property legally described as Lot 44 and the North ½ of Lot 43, Block 1 Berkeley (PID #04-029-24-21-0028), in accordance with the Findings of Fact, Conclusions and Recommendations which are on file in the Office of the City Clerk and made a part of this report by reference.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

PS&RS - Your Committee, having under consideration the property located at 4400 Park Av S which has been deemed by the Director of Inspections to constitute a nuisance condition within the meaning of Chapter 249 of the Minneapolis Code of Ordinances, now recommends that the proper City Officers be authorized to demolish said property legally described as Lot 1, Block 3, Auditor's Subdivision No 257 (PID #11-028-24-33-0043), in accordance with the Findings of Fact, Conclusions and Recommendations which are on file in the Office of the City Clerk and made a part of this report by reference.

Niziolek moved that the report be referred back to the Public Safety & Regulatory Services Committee. Seconded.

Adopted upon a voice vote.

PS&RS - Your Committee, having received the third quarterly report on the Nuisance Night Hearing Program, now recommends the following:

a. that said report be Received & Filed.

b. that staff from the City Attorney's Office and the Police Department be directed to extend the Nuisance Night Hearing Pilot Program for an additional six months, to May 1, 2005, in order to determine the success of the revenue collection through the FISCOL system.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

(Republished 1/22/05).

The **PUBLIC SAFETY & REGULATORY SERVICES** and **WAYS & MEANS/BUDGET** Committees submitted the following reports:

PS&RS & W&M/Budget - Your Committee recommends that the proper City Officers be authorized to accept the COPS 2004 Technology grant award of \$742,108 and execute a grant agreement with the United States Department of Justice to fund computer technology for sharing large data files electronically with other criminal justice agencies within Hennepin County. Further, passage of the accompanying Resolution appropriating \$742,108 to the Police Department.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

RESOLUTION 2004R-542
By Niziolek and Johnson

Amending The 2004 General Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled Resolution, as amended, be further amended by increasing the appropriation for the Police Department Agency in the Grants - Federal Fund (030-400-4182) by \$742,108 and increasing the Revenue Source (030-400-4182 - Source 3210) by \$742,108.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

PS&RS & W&M/Budget - Your Committee recommends that the proper City Officers be authorized to accept a federal Urban Area Security Initiative grant award of \$99,975 and execute a grant agreement with the Minnesota Department of Public Safety, Division of Homeland Security and Emergency Management to reimburse police overtime expenses incurred for increased security in and around City facilities and buildings, including City Hall, the Metrodome and Nicollet Mall. Further, passage of the accompanying Resolution appropriating \$99,975 to the Police Department.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

RESOLUTION 2004R-543
By Niziolek and Johnson

Amending The 2004 General Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled Resolution, as amended, be further amended by increasing the appropriation for the Police Department Agency in the Grants - Federal Fund (030-400-B131) by \$99,975 and increasing the Revenue Source (030-400-B131 - Source 3210) by \$99,975.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

PS&RS & W&M/Budget - Your Committee recommends acceptance of the only bid received on OP #6335 (Petn No 270021) submitted by Hackney Emergency Vehicles, in the amount of \$402,579, for furnishing and delivering a fire rescue trailer and cab for the Fire Department, all in accordance with City specifications, and contingent upon approval by the Department of Civil Rights. The City reserves the right to purchase one additional unit at the same price in the year 2005. The vendor agrees to an in-house warranty repair.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

The **PUBLIC SAFETY & REGULATORY SERVICES** Committee submitted the following report:

PS&RS - Your Committee recommends passage of the accompanying Resolution responding to Hennepin County Resolution 04-8-390 offering the City of Minneapolis no-cost public safety dispatching.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

Resolution 2004R-544, responding to Hennepin County Resolution 04-8-390 offering the City of Minneapolis no cost public safety dispatching, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-544

By Niziolek

Responding to Hennepin County Resolution 04-8-390 offering the City of Minneapolis no-cost public safety dispatching.

Whereas, the Hennepin County Board of Commissioners, in Resolution 04-8-390, authorized the offering of converting over to the Hennepin County Sheriff's Public Safety Answering Point at no cost; and

Whereas, The Hennepin County Resolution stated that the invited cities (which included Hennepin County suburbs in addition to Minneapolis) must notify the Sheriff, in writing, by November 30, 2004 of their commitment to do this; and

Whereas, the Hennepin County Resolution further resolves that if any of the cities chose not to participate, that city will not have the opportunity to be served at no cost for at least eight years from this commitment date; and

Whereas, Minneapolis 9-1-1 has more phone calls and dispatches than the Hennepin County Sheriff's Office Dispatch in any given timeframe; and

Whereas, except for voice radio, the technology systems that Minneapolis Emergency Communications Center and Hennepin County Sheriff's Office use are dissimilar; and

Whereas, some operational procedures differ between Minneapolis Emergency Communications Center (MECC) and Hennepin County Sheriff's Office; and

Whereas, public safety communications is a mission critical element supporting the life and death work of the Minneapolis Police and Fire Department; and

Whereas, consolidation efforts or partnerships should only be considered for this important life-safety function if safety for the public and the public safety responders is maintained or enhanced; and

Whereas, the City of Minneapolis wishes to enter into this partnership only if the cost to the taxpayers of Minneapolis and Hennepin County can be reduced by consolidation; and

Whereas, the City of Minneapolis has determined that further study into this major possible change is required to make a fully-informed decision; and

Whereas, the City of Minneapolis is committed to the continuing employment of MECC employees in any future Emergency Communication Center serving Minneapolis; and

Whereas, studies have shown that the success of PSAP consolidations is dependent on a proper governance structure, effective and agreement upon procedures/protocols, focus on personnel, and attention to technology needs and synergy; and

Whereas, the City of Minneapolis requires an exit strategy that holds the City harmless should the County fail to deliver agreed upon service levels or seeks compensation for emergency communication services; and

Whereas, the City of Minneapolis is in the process of acquiring and implementing a new Computer Aided Dispatch (CAD) system and given that any Hennepin Emergency Communications initiative would take 18 to 24 months to implement; and

Whereas, representatives of the City of Minneapolis, the Hennepin County Sheriff, and the Assistant County Administrator have discussed the acceptability of a response that doesn't give a "yes" or "no" to the Resolution, but agrees to give such answer after a thorough study is completed; and

Whereas, the aforementioned representatives agreed that this would be acceptable to them;

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

That the City Council authorizes City of Minneapolis City Coordinator to deliver a letter on behalf of the City of Minneapolis to the Hennepin County Sheriff stating that the City of Minneapolis is interested in, but would like to conduct an evaluative study in 2005 before giving a final answer to the offer in Hennepin County Resolution 04-8-390.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

The **TRANSPORTATION & PUBLIC WORKS** Committee submitted the following reports:

T&PW - Your Committee, having under consideration the South Hennepin Avenue Special Service District, and having held a public hearing thereon, now recommends passage of the accompanying Resolution:

- a) Approving the special services and cost estimates in the amount of \$93,593 for 2005;
- b) Approving service charges and the list of service charges for 2005 in the amount of \$78,523, as set forth in Petn No 270024 on file in the office of the City Clerk;
- c) Directing the City Engineer to proceed with the work; and
- d) Directing that the certified copies of the lists of service charges be transmitted to the Hennepin County Auditor.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

(Published 11/23/04)

Resolution 2004R-545 approving special services, the cost estimate, service charges and the list of service charges for 2005 in S Hennepin Av Special Service Districts and directing the City Engineer to proceed with the work, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-545

By Colvin Roy

Approving special services, the cost estimate, service charges and the list of service charges for 2005 in S Hennepin Av Special Service Districts and directing the City Engineer to proceed with the work.

Whereas, a public hearing was held on October 26, 2004 and continued to November 9, 2004, in accordance with Laws of Minnesota, 1985, Chapter 302, Laws of Minnesota, 1993, Chapter 375, Article 5, Sections 35 through 38, Laws of Minnesota, 1995, Chapter 264, Article 3, Section 28, Laws of Minnesota, 1996, Chapter 471, Article 8, Section 44 and Chapter 454 of the Minneapolis Code of

Ordinances to consider the proposed special services, the proposed service charges and the proposed lists of service charges as more particularly described in Petn No 270024 on file in the Office of the City Clerk and to consider all written and oral objections and statements regarding this matter;

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

That the proposed special services, the proposed cost estimate in the total amount of \$93,593 for 2005 and that the proposed service charges and the proposed list of service charges for 2005 in the total amount of \$78,523 (amount remaining after adjusting the cost estimate of \$93,593 for previous years' unexpended balances and additional costs as provided for in Section 454.70 of the Minneapolis Code of Ordinances) as prepared by the City Engineer and on file in the office of the City Clerk be and hereby are approved for the S Hennepin Av Special Service District.

Be It Further Resolved that the service charges be collected in one (1) installment on the 2005 real estate tax statements in the same manner as special assessments without interest charges and that the City Clerk is hereby directed to transmit certified copies of said lists of service charges to the Hennepin County Auditor.

Be It Further Resolved that the City Engineer is hereby directed to proceed with the work.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

T&PW - Your Committee, having consideration under consideration the sale of the property located at 506 11th Av N (former Animal Shelter Facility), and having held a public hearing thereon, now recommends:

a) Approval of the sale of City-owned property at 506 11th Av N for \$368,000 to James J. Schoffman and/or J.B.I. & Associates, Inc., according to the bid terms listed in Official Publication #6322;

b) Authorizing the proper City officers to execute a Quit Claim Deed to convey the property to the buyer and sign any other necessary documents to facilitate the sale of said property;

c) If the above buyer does not honor the bid to purchase the property, authorizing the sale of the property for \$301,050 to the next highest bidder, Steven Rorem and/or 506 11th Avenue North, LLC;

d) If neither of the above buyers honor their bids to purchase the property, authorizing staff to reject all bids and conduct a new "sale to the highest bidder" process; and

e) Directing the sale proceeds reimburse Public Works for the associated expenses of selling the property and strategic space planning, with the remaining balance deposited into PW-General Services-Capital Agency in the Lands and Buildings Fund 6200-923-9242.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

T&PW - Your Committee, having under consideration the Heritage Park Phase 2 Project No 9746, and having held a public hearing thereon, now recommends passage of the accompanying Resolution adopting and levying the assessments for the benefited properties in the amount of \$1,018,850, as set forth in Petn No270024 on file in the office of the City Clerk.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

(Published 11/23/04)

Resolution 2004R-546 adopting the special assessments for the Heritage Park Phase 2 Rental Housing Project, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-546
By Colvin Roy

Heritage Park Phase 2 Rental Housing Project No 9746
Street Improvements, Street Lighting, Sidewalk, Sanitary Sewer and Water Mains

Adopting the special assessments for the Heritage Park Phase 2 Rental Housing Project.

Whereas, a public hearing was held on November 9, 2004, in accordance with Chapter 10, Section 6, of the Minneapolis City Charter, and Sections 24.180 and 509.465 of the Minneapolis Code of Ordinances to consider the proposed special assessments in accordance with the Development Agreements and Joint Powers Agreement as more fully set forth in Petn No. 268068 on file in the office of the City Clerk and to consider all written and oral objections and statements regarding the proposed special assessments;

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

That the proposed special assessments for Street Improvements in the total amount of \$401,085, Street Lighting Improvements in the total amount of \$126,258, Sidewalks in the total amount of \$76,352, Sanitary Sewers in the total amount of \$238,191 and Water Mains in the total amount of \$176,964, as set forth in Petn No 270024 on file in the office of the City Clerk, be and hereby are adopted and assessed against the benefited properties.

Be It Further Resolved that the number of successive equal annual principal installments by which the special assessments may be paid shall be fixed at twenty (20) and that the interest be charged at the same rate as the assessment bonds are sold for with the collection of the special assessments to begin on the 2005 real estate tax statements.

Be It Further Resolved that the assessment rolls as prepared by the City Engineer be and hereby are adopted and that the City Clerk is hereby directed to transmit certified copies of the assessment rolls to the Hennepin County Auditor.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

T&PW - Your Committee, having under consideration the Hennepin Theater District Streetscape Project No 2221, and having held a public hearing thereon, now recommends passage of the accompanying Resolution adopting and levying the areaway abandonment and removal special assessments for the benefited properties in the amount of \$1,162,462.18.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

(Published 11/23/04)

Resolution 2004R-547 adopting and levying the assessment for the unpaid charges for the areaway abandonment and removal from the properties in the Hennepin Theater District Streetscape Revitalization Project No. 2221 as set forth in Petn No. 270024, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-547
By Colvin Roy

Adopting and levying the assessment for the unpaid charges for the areaway abandonment and removal from the properties in the Hennepin Theater District Streetscape Revitalization Project No. 2221 as set forth in Petn No. 270024.

Whereas, a public hearing was held on November 9, 2004, in accordance with Chapter 8, Sections 12 and 13, of the Minneapolis City Charter to consider the proposed assessments as shown on the proposed assessment roll on file in the office of the City Clerk and to consider all written and oral objections and statements regarding this matter;

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

That the proposed assessments against the affected properties as follows:

1. 901 Hennepin Av, PID No. 27-029-24-12-0005, final cost of \$199,406.86, legally described as Commencing at the most Easterly corner of Lot 7, thence Northwesterly to the most Northerly corner, thence Southwesterly on the Northwesterly line of said Lot, a distance of 50 ft, thence Southeasterly parallel with the Northeasterly line of said Lot 7 to the Southeasterly line thereof, thence Northeasterly to the beginning, except part taken for alley, Auditor Subdivision No 30;

2. 727 Hennepin Av, PID No. 22-029-24-43-0082, final cost of \$304,146.65, legally described as: The Southwesterly one-half of Lot 2, Block 223, Hoag and Bell's Addn to Minneapolis;

3. 731 Hennepin Av, PID No. 22-029-24-43-0081, final cost of \$255,237.85, legally described as: All of Lot 1, Block 223 Hoag and Bell's Addn to Minneapolis, and also that part of Lot 16, Block 223, Wells, Sampson's and Bell's Addition to Minneapolis which lies West of the alley in said Block 223 extended Southwesterly through said Lot; also that part, now vacated 8th Street lying between said Lot 1 and an extension Northwesterly of the Southwesterly line of said Lot 16 and an extension Southwesterly of the Northwesterly line of said Lot 1;

4. 705 Hennepin Av, PID No. 22-029-24-43-0084, final cost of \$110,000, legally described as: Lot 6, Block 223, Hoag and Bell's Addn to Minneapolis; and

5. 930 Hennepin Av, PID No. 27-029-24-12-0039, final cost of \$293,670.82. legally described as: Lot 7, Auditor's Subdivision No 126; as set forth in Petn No. 270024 and in accordance with the Hennepin Theater District (5th St to 10th St) Streetscape Revitalization Project, Special Improvement of Existing Street No 2221, as ordered by Resolution 2002R-172, in the total amount of \$1,162,462.18 and as shown on the proposed assessment roll on file in the office of the City Clerk, be and hereby are adopted and levied.

Be It Further Resolved that the number of successive equal annual principal installments by which the special assessments may be paid shall be fixed at twenty (20) and that interest be charged at the same rate as assessment bonds are sold for with collection of the special assessments to begin on the 2005 real estate tax statement.

Be it Further Resolved that the assessment roll as prepared by the City Engineer be and hereby is adopted and levied and that the City Clerk is hereby directed to transmit a certified copy of said assessment roll to the Hennepin County Auditor.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

T&PW - Your Committee recommends passage of the accompanying Resolution adopting the 2004 levy of various special assessments, adopting the assessment rolls as set forth in Petn No 270024, and directing the City Clerk to transmit certified copies of the assessment rolls to the Hennepin County Auditor.

Colvin Roy moved to substitute a new Resolution for the above-mentioned Resolution. Seconded. Adopted upon a voice vote.

The report, with the substitute Resolution, was adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

(Published 11/23/04)

Resolution 2004R-548 levying various 2004 Public Works Department special assessments and adopting the assessment rolls, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-548
By Colvin Roy

2004 Levy of Various Public Works Department Special Assessments and Adoption of Assessment Rolls.

Resolved by The City Council of The City of Minneapolis:

That the special assessments for the projects and charges listed below be levied upon the benefited properties for the listed number of successive equal annual installments and interest rates (except as otherwise noted hereinafter), that the assessment rolls as prepared by the City Engineer be adopted and that the City Clerk be directed to transmit certified copies of the assessment rolls to the Hennepin County Auditor.

1. Uptown (Hennepin–Lake Area) Streetscape Revitalization Project (including Supplemental), Special Improvement of Existing Street No 2897; 15% of cost category adjusted annually for land and building valuation and certified annually for 20 years; 5.3% interest; \$17,643.45 principal and interest for payable 2005 – Levy 01026 – Project 2897J.

2. Central Avenue NE Reconstruction Project, Special Improvement of Existing Street No 2977; \$430,186.06 principal; 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01026 - Project 2977C; 1 installment for assessments of \$150 or less - 2.5% interest - Levy 01026 - Project C2977.

3. Richfield Road Reconstruction Project, Special Improvement of Existing Street No 6696; \$30,415.15 principal; 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01026 - Project 6696C.

4. 15th Avenue SE Reconstruction Project, Special Improvement of Existing Street No 6372; \$105,365.50 principal; 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01026 - Project 6372C; 1 installment for assessments of \$150 or less - 2.5% - Levy 01026 - Project C6372.

5. 9th Avenue SE Reconstruction Project, Special Improvement of Existing Street No 2995; \$43,105.58 principal; 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01026 - Project 2995C.

6. West Broadway Reconstruction Project, Special Improvement of Existing Street No 6710; \$935,748.40 principal; 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01026 - Project 6710C; 1 installment for assessments \$150 or less - 2.5% interest - Levy 01026 - Project C6710.

7. LaSalle Avenue Reconstruction Project, Special Improvement of Existing Street No 6603; \$341,744.65 principal; 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01026 - Project 6603C; 1 installment for assessments \$150 or less - 2.5% interest - Levy 01026 - Project C6603.

8. Chicago Avenue S Reconstruction Project, Special Improvement of Existing Street No 6194; \$323,923.99 principal; 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01026 - Project 6194C.

9. University West Street Renovation Project, Special Improvement of Existing Street No 2251; \$447,798.93; 10 installments for assessments of more than \$150 – 3.5% interest - Levy 01026 - Project 2251R; 1 installment for assessments of \$150 or less - 2.5% interest - Levy 01026 - Project R2251.

10. Como North Street Renovation Project, Special Improvement of Existing Street No 2984; \$899,377.82; 10 installments for assessments of more than \$150 – 3.5% interest - Levy 01026 - Project 2984R; 1 installment for assessments of \$150 or less - 2.5% interest - Levy 01026 - Project R2984.

11. Heritage Park Redevelopment Phase II – Rental Housing Project No 9746:

a. Street Improvements; \$401,085 principal; 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01026 - Project 9746C.

b. Street Lighting; \$126,258 principal; 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01026 - Project 9746L.

c. Sidewalk Construction; \$76,352 principal; 20 installments for assessments of more than

- \$150 – 4.0% interest - Levy 01052 - Project 9746S
- d. Water Mains; \$176,964 principal; 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01029 - Project 9746W.
 - e. Sanitary Sewers; \$238,191 principal; 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01021 - Project 9746S.
12. Humboldt Greenway Phase II, Project No 9789:
- a. Street Lighting; \$188,507 principal; 10 installments for assessments of more than \$150 – 3.5% interest - Levy 01026 - Project 9789L.
 - b. Water Mains; \$167,215.30 principal; 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01029 - Project 9789W.
 - c. Sanitary Sewer Mains; \$72,015.28 principal; 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01021 - Project 9789S.
 - d. Water Service Connections; \$139,552.92 principal; 20 installments for more than \$150 – 4.0% interest – Levy 01071 – Project 9789W.
 - e. Sanitary Sewer Service Connections; \$64,480 principal; 20 installments of more than \$150 – 4.0% interest – Levy 01071 – Project 9789S.
13. 2004 Alley Resurfacing Program, Special Improvement of Existing Alleys No FS04#1; \$41,250 principal; 5 installments for assessments of more than \$150 – 3.05% interest - Levy 01013 - Project FS041; 1 installment for assessments of \$150 or less - 2.5% interest - Levy 01013 - Project 041FS.
14. 2003 Alley Retaining Wall Program, Special improvement of Existing Alleys No FS03#2; \$10,000 principal; 5 installments for assessments of more than \$150 – 3.05% interest – Levy 01013 – Project FS032.
15. a. Standish-Ericsson Street Lighting Project, Special Improvement of Existing Street No 2958; \$13,100; 20 installments for assessments of more than \$100 – 4.0% interest – Levy 01026 Project 2958L; 1 installment for assessments of \$100 or less - 2.5% interest – Levy 01026 – Project L2958.
- b. Giving final approval for Street Lighting District No 1233 (said district having been established for the Standish-Ericsson Street Lighting Project No. 2958); annual operation and maintenance costs in said district - \$164.79 - Levy 01023 - Project 1233.
16. a. 46th Street W and Bryant Avenue S Street Lighting Project, Special Improvement of Existing Street No 2970; \$10,863.32 principal (reduced by \$11.63, from \$10,875 due to clerical error); 20 installments for assessments of more than \$100 – 4.0% interest - Levy 01026 - Project 2970L; 1 installment for assessments of \$100 or less - 2.5% interest – Levy 01026 – Project L2970.
- b. Giving final approval for Street Lighting District No 1234 (said district having been established for the 46th Street W and Bryant Avenue S Street Lighting Project No 2970); annual operation and maintenance costs in said district - \$0.00 - Levy 01023 - Project 1234.
17. a. Logan Park Street Lighting Project, Special Improvement of Existing Street No 2233; \$131,503.39 principal (reduced from \$286,000 due to reduction in final cost and contributed NRP funds); 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01026 - Project 2233L; 1 installment for assessments of \$150 or less - 2.5% interest – Levy 01026 – Project L2233.
- b. Giving final approval for Street Lighting District No 1288 (said district having been established for the Logan Park Street Lighting Project No 2233); annual operation and maintenance costs in said district - \$116.23 - Levy 01023 - Project 1288.
18. a. Nicollet Avenue S Street Lighting Project, Special Improvement of Existing Street No 6694; \$167,928.78 principal (reduced from \$320,000 due to reduction in final cost); 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01026 - Project 6694L; 1 installment for assessments of \$150 or less - 2.5% interest – Levy 01026 – Project L6694.
- b. Giving final approval for Street Lighting District No 1301 (said district having been established for the Nicollet Avenue S Street Lighting Project 6694); annual operation and maintenance costs in said district - \$369.48 - Levy 01023 - Project 1301.
19. a. Bank Street Lighting Project, Special Improvement of Existing Street No 2232; \$121,390.97 principal (reduced from \$198,000 due to reduction in final cost); 20 installments for assessments of more than \$150 – 4.0% interest - Levy 01026 - Project 2232L; 1 installment for assessments of \$150 or less - 2.5% interest – Levy 01026 – Project L2232.

b. Giving final approval for Street Lighting District No 1287 (said district having been established for the Bank Street Lighting Project No 2232); annual operation and maintenance costs in said district - \$1192.91 - Levy 01023 - Project 1287.

20. Hennepin Theater District Streetscape Revitalization Project, Special Improvement of Existing Street No. 2221; \$2,446,209.62 principal (reduced from \$2,795,819 due to reduction in final cost); 15 principal installments for assessments of more than \$150 – 3.8% interest - Levy 01026 - Project 2221S.

21. Project No 2005, Snow and Ice Removals from Public Sidewalks; \$22,391.41 principal (reduced from \$24,262.04 due to prepayments); 1 installment – 2.5% interest – Levy 01057 – Project 05S11.

22. Project No 2005, Public Sidewalk Repair and Construction; \$578,604.84 principal (reduced from \$592,017.16 due to prepayments); 10 installments for assessments of more than \$1500 – 3.5% interest – Levy 01052 – Project 05S10; 5 installments for assessments of more than \$150 up to \$1500 – 3.05% interest – Levy 01052 – Project 05S05; 1 installment for assessments \$150 or less – 2.5% interest – Levy 01052 – Project 05S01.

23. Project No 2005, Water Service Line Repairs; \$489,662.91 principal (reduced from \$507,199.91 due to prepayments); 5 installments at 8% interest – Levy 01028 - Project 05W05; 10 installments at 8% interest for PID 02-028-24-31-0130 - Levy 01028 - Project 05W10.

24. Project No 2005 Sewer Service Line Repairs; \$68,900.15 principal (reduced from \$69,780.15 due to prepayments); 5 installments at 8% interest - Levy 01083 - Project 05SWR.

25. Street Maintenance annual assessments against non-governmental real property exempt from ad valorem taxes: \$0.45 per front foot.

26. Street Lighting Operation and Maintenance annual assessment against non-governmental real property exempt from ad valorem taxes; assessment rates for Street Lighting Districts.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

T&PW - Your Committee recommends that the proper City officers be authorized to initiate a lawsuit against the Federal Aviation Administration and/or the Metropolitan Airports Commission to enforce their obligation to provide sound insulation and other noise reduction measures to achieve noise mitigation and abatement as a result of noise from the Minneapolis/St. Paul Airport.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

The **TRANSPORTATION & PUBLIC WORKS** and **WAYS & MEANS/BUDGET** Committees submitted the following reports:

T&PW & W&M/Budget - Your Committee, having under consideration a request to adopt the Lyn Lake Municipal Parking Lot 2004 Assessments and the 2004 - 2005 Impact Fees, and having held a public hearing thereon, now recommends:

T&PW - That the assessments for the LynLake Municipal Parking Lot **be sent forward without recommendation.**

W&M/Budget - Approval of the assessments and passage of the accompanying Resolution adopting the special assessments for payable 2005, levying the special assessments, and adopting the assessment roll for the Lyn/Lake Parking Facilities.

Colvin Roy moved that the report be amended to approve the Ways & Means/Budget Committee recommendation and to delete the Transportation and Public Works Committee recommendation. Seconded.

Adopted upon a voice vote.

The report, as amended, was adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

(Published 11/23/04)

Resolution 2004R-549 adopting the special assessments for payable 2005, levying the special assessments and adopting the assessment roll for the Lyn/Lake Parking Facilities, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2004R-549
By Colvin Roy & Johnson**

Adopting the special assessments for payable 2005, levying the special assessments and adopting the assessment roll for the Lyn/Lake Parking Facilities.

Whereas, Minnesota Statutes, Section 459.14 (Automobile Parking Facilities) authorizes the City of Minneapolis to acquire property interests, construct parking facilities, operate and maintain parking facilities and finance parking facilities through special assessments levied against benefited properties; and

Whereas, the City of Minneapolis has approved the establishment of parking facilities in the Lyn/Lake area, as more particularly described in Resolutions 98R-129 passed April 24, 1998 and 98R-186 passed May 22, 1998 and in Petn Nos 263708 and 263799 on file in the office of the City Clerk; and

Whereas, any shortfall gap between parking facilities revenue and parking facilities expenditures is to be assessed to properties benefited by the parking facilities; and

Whereas, the City Engineer has recommended the amount to be specially assessed for payable 2005 to be \$105,571, all as contained in Petn No 270025 on file in the Office of the City Clerk; and

Whereas, a public hearing was held on November 9, 2004 in accordance with Minnesota Statutes, Section 459.14 and Minnesota Statutes, Chapter 429 to consider the proposed special assessments for payable 2004 as shown on the proposed assessment roll on file in the office of the City Clerk and to consider all written and oral objections and statements regarding this matter;

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

That the proposed special assessments for payable 2005 in the total amount of \$105,571 as on file in the office of the City Clerk be and hereby are adopted and levied upon the benefited properties.

Be It Further Resolved that the special assessments be collected in one (1) installment on the 2005 real estate tax statements without interest charges.

Be It Further Resolved that the assessment roll as prepared by the City Engineer be and hereby is adopted and that the City Clerk is hereby directed to transmit a certified copy of said assessment roll to the Hennepin County Auditor.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

T&PW & W&M/Budget - Your Committee, having under consideration the Heritage Park Senior Housing infrastructure work now recommends:

a) Authorizing the proper City officers to enter into a Subgrant Agreement with the Minneapolis Public Housing Authority (MPHA) for the \$1,964,000 portion of the MPHA's HUD HOPE VI grant designated for public realm infrastructure costs;

b) Authorizing the appropriate City officers to enter into a Cooperation Agreement with the MPHA for the Senior Housing/HOPE VI area;

c) Receiving the petition from property owner, MPHA, requesting the City to construct and assess for streets, streetlights, sidewalks, water mains, and sanitary sewers using standard procedures and methods, and directing staff to implement this request;

d) Passage of the accompanying Resolution increasing the appropriation and revenue for the infrastructure work by \$114,000 from the proceeds of the closing of the Phase 3 Rental real estate

transaction;

e) Passage of the accompanying Resolution increasing the Heritage Park infrastructure work by \$1,000,000 for 2005 funding by the Mississippi Watershed Management Organization;

f) Passage of the accompanying Resolution increasing the appropriation and revenue for Heritage Park infrastructure work by \$1,302,505 for additional reimbursement from Phase 1 and Phase 2 ownership for public improvements;

g) Authorizing the proper City officers to enter into an amendment to Agreement No 14623, dated August 28, 1999, with SRF Consulting Group, Inc., extending the agreement completion date to December 31, 2005, and increasing the agreement amount by \$1,156,000; and

h) Passage of the accompanying Resolution increasing the appropriation and revenue for Heritage Park infrastructure work by \$1,434.10 for remittance from MPHA of its unspent portion of McKnight Foundation funds granted to the Near Northside Project.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

RESOLUTION 2004R-550
By Colvin Roy and Johnson

Amending the 2004 Capital Improvement Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled Resolution, as amended, be further amended by increasing the appropriation for Heritage Park infrastructure work in PW-Permanent Improvement Projects Fund (4100-970-9719) and increasing the revenue source (4100-970-9719-3755) by \$114,000 from the proceeds of the closing of the Heritage Park Phase 3 Rental real estate transaction.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

RESOLUTION 2004R-551
By Colvin Roy and Johnson

Amending the 2004 Capital Improvement Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled Resolution, as amended, be further amended by increasing the appropriation for Heritage Park infrastructure work in the PW-Permanent Improvement Projects Fund (4100-970-9719) and increasing the revenue source (4100-970-9719-3225) by \$1,000,000 for 2005 funding by the Mississippi Watershed Management Organization.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

RESOLUTION 2004R-552
By Colvin Roy and Johnson

Amending the 2004 Capital Improvement Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled Resolution, as amended, be further amended by increasing the appropriation for Heritage Park infrastructure work in the PW-Permanent Improvement Projects Fund (4100-970-9719) and increasing the revenue source (4100-970-9719-3650) by \$1,302,505 for additional reimbursement from Phase 1 and Phase 2 ownership for public improvements.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

RESOLUTION 2004R-553
By Colvin Roy and Johnson

Amending the 2004 Capital Improvement Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled Resolution, as amended, be further amended by increasing the appropriation for Heritage Park infrastructure work in the PW-Permanent Improvement Projects Fund (4100-970-9719) and increasing the revenue source (4100-970-9719-3720) by \$1,434.10 for remittance from MPHA of its unspent portion of McKnight Foundation funds granted to the Near Northside Project.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

(Republished 1/11/05).

The **WAYS & MEANS/BUDGET** Committee submitted the following reports:

W&M/Budget – Your Committee recommends passage of the accompanying resolution authorizing settlement of legal matters, as recommended by the City Attorney.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson.

Resolution 2004R-554 authorizing settlement of legal matters, was passed 11/19/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-554
By Johnson

Authorizing legal settlements.

Resolved by The City Council of The City of Minneapolis:

That the City Attorney is authorized to proceed with settlement of the following claims:

- a) Robert Michurski, by payment of \$5,000 to Mr. Michurski; and
- b) Keith Anderson, by payment of \$58,000 to Mr. Anderson and reinstatement of temporary employment, and payment of \$8,000 to the State of Minnesota.

Your Committee further recommends that the proper City officers be authorized to execute any documents necessary to finalized said settlement.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson.

W&M/Budget - Your Committee recommends that the proper City officers be authorized to enter into a full, final and complete settlement of Workers Compensation claims with Joyce West by payment in the amount of \$105,100, to be paid from the Self Insurance Fund.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson.

W&M/Budget - Your Committee recommends that the proper City officers be authorized to issue a Request for Proposals (RFP) seeking banking and custodial financial services, contingent upon approval of said RFP by the Permanent Review Committee; and that said officers be authorized to extend the City's current contract with Wells Fargo through March 31, 2005 in order to allow for completion of the RFP selection and implementation process.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson.

W&M/Budget - Your Committee recommends approval of the following Utility Bill inserts in the December billing:

- a) Providing information regarding use of direct payment to pay utility bills; and
- b) Providing information on stormwater service billing.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson.

W&M/Budget - Your Committee recommends approval of changes to the City's Delta Dental Benefit Plan that will permit employees an option to increase their annual dental benefit from \$750 to \$1,000 per person, per year, providing the employee receives dental services through a Delta Dental Preferred provider, with the change to be effective as of January 1, 2005.

Your Committee further recommends that the proper City officers be authorized to execute an amendment to the City's contract with Delta Dental to reflect said plan changes and a rate increase of \$0.39 per person, per month.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson.

W&M/Budget - Your Committee, having under consideration the New Central Library Project, now recommends approval of the following construction change orders for the project:

a) Change Order No. 2 increasing Contract No. C-20345 with Egan Companies, Inc. (Egan McKay Electrical) by \$28,783, for a new contract total of \$8,778,969;

b) Change Order No. 1 increasing Contract No. C-20567 with E. R. Berwald Roofing Company, Inc. by \$383,850, for a new contract total of \$3,053,450;

c) Change Order No. 3 increasing Contract No. C-20366 with Egan Companies, Inc. (Egan Mechanical) by \$41,264, for a new contract total of \$8,563,530.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson.

Approved by Mayor Rybak 11/19/04.

(Published 11/23/04)

W&M/Budget - Your Committee recommends approval of budget guidelines for the City Council Office for 2005, and amendment of the 2004 guidelines to add risk management provisions and to transfer the salary and fringe benefits costs for Council Office Associate positions from the City Council to the City Clerk. The guidelines are included in Petn No 270029 on file in the Office of the City Clerk.

Adopted 11/19/04. Yeas, 7; Nays, none as follows:

Yeas - Samuels, Colvin Roy, Zerby, Lilligren, Niziolek, Lane, Ostrow.

Nays - Benson, Goodman.

Absent - Johnson, Zimmermann, Schiff, Johnson.

The **ZONING & PLANNING** Committee submitted the following reports:

Z&P - Your Committee, having under consideration the appeal filed by David Keller from the decision of the Board of Adjustment which conditioned the approval of the applications for a variance to reduce the required side yard setback from 12' to 0' to allow for a third floor dormer expansion, and a variance to reduce the required lot area from 7,200 square feet to 5,240 square feet to maintain an 8 dwelling unit apartment building at 3757 Harriet Ave S, subject to that the plans being revised to provide a dormer with a roof pitch that matches the roof pitch of the existing building and that the materials of the dormer match the materials of the building, now recommends that said appeal be granted, based on the revised site plan which provides a new roof pitch that more appropriately matches that of the building, and matches materials of the dormer to materials on the existing building.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

Z&P - Your Committee, having under consideration the appeal filed by Master Development Group from the decision of the Planning Commission denying applications for a variance to reduce the front yard setback on 46th Ave S from 21 feet to 5 feet; a variance of the front yard setback on 46th St E from 15 feet to 5 feet; a variance to allow entrances, balconies, and a patio and fountain in the front yard setbacks; and site plan review, to permit a 20-unit residential building at 4556 E 46th St, now recommends –

- a) Granting the appeal for a variance, as revised, to reduce the front yard setback on 46th Ave S from 21 feet to 7 feet;
- b) Granting the appeal for variance of the front yard setback on 46th St E from 15 feet to 5 feet;
- c) Granting the appeal to permit entrances, balconies and a patio and fountain in the front yard setbacks; and
- d) Granting the appeal regarding site plan review, subject to incorporation of revisions to site plan presented 11/16/04.

Lilligren moved to amend the report by adding the following condition: “The developer shall work in good faith with the property owner (4545 – 45th Ave S) across the alley from the proposed development to mitigate light trespassing on said property from the headlights of vehicles leaving the underground parking garage.” Seconded.

Adopted upon a voice vote.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

The report, as amended, lost. Yeas, 4; Nays, 5 as follows:

Yeas – Lilligren, Niziolek, Benson, Goodman.

Nays – Samuels, Colvin Roy, Zerby, Lane, Ostrow.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Colvin Roy moved to amend the report by denying all appeals. Seconded.

Lost. Yeas, 4; Nays, 4 as follows:

Yeas – Colvin Roy, Zerby, Lane, Ostrow.

Nays – Lilligren, Niziolek, Benson, Goodman.

Declining to vote – Samuels.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Niziolek moved that the report be postponed. Seconded.

Adopted upon a voice vote.

Z&P – Your Committee concurs in the recommendation of the Planning Commission in granting the petition of Master Development Group (BZZ-1991) to rezone the property at 4556 E 46th St from C1 to the OR2 District to permit a 20-unit residential condominium development with underground parking, and adopting the related findings prepared by the Department of Community Planning & Economic Development.

Your Committee further recommends passage of the accompanying ordinance amending the Zoning Code.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Ordinance 2004-Or-135, amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to *Zoning Code: Zoning Districts and Maps Generally*, rezoning the property at 4556 E 46th St to the OR2 District, was passed 11/19/04 by the City Council. A complete copy of this ordinance is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized ordinance.

ORDINANCE 2004-Or-135
By Schiff
1st & 2nd Readings: 11/19/04

Amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to Zoning Code: Zoning Districts and Maps Generally.

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That Section 521.30 of the above-entitled ordinance be amended by changing the zoning district for the following parcel of land, pursuant to MS 462.357:

A. Lot 12 and the east 80 feet of Lots 13, 14, and 15, Block 1, Fullers River-Dale Addition to Minneapolis (4556 E 46th St – Plate 34) to the OR2 District.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Z&P – Your Committee concurs in the recommendation of the Planning Commission in granting the petition of Joe Sullivan, with 5th Street Ventures, (BZZ-1970) to rezone the property at 1901 E Hennepin Ave by adding the Industrial Living Overlay District to the existing I2 District to permit development of 45 for-sale condominium units (1901 Lofts), and adopting the related findings prepared by the Department of Community Planning & Economic Development.

Your Committee further recommends passage of the accompanying ordinance amending the Zoning Code.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Ordinance 2004-Or-136, amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to *Zoning Code: Zoning Districts and Maps Generally*, rezoning the property at 1901 E Hennepin Ave by adding the Industrial Living Overlay District to the existing I2 District, was passed 11/19/04 by the City Council. A complete copy of this ordinance is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized ordinance.

ORDINANCE 2004-Or-136
By Schiff
1st & 2nd Readings: 11/19/04

Amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to Zoning Code: Zoning Districts and Maps Generally.

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That Section 521.30 of the above-entitled ordinance be amended by changing the zoning district for the following parcel of land, pursuant to MS 462.357:

A. All of Lot 3, and a part of Lot 2, Block 25, "Minneapolis Industrial District" beginning at the southwest corner of said Lot 3; thence running along the west line of said Lot 3, a distance of 245 feet more or less to the north boundary thereof; thence running east along the north boundary of Lot 3 and 2 a distance of 200 feet; thence running south parallel with the west line of said Lot 3 a distance of 245 feet more or less to the south boundary of Lot 2; thence west along the south boundary of Lot 2 and 3 for a distance of 200 feet to the point of beginning, Hennepin County, Minnesota (Registered property. Certificate of Title No. 706495) (1901 E Hennepin Ave - Plate 16) by adding the Industrial Living Overlay District to the existing I2 District.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

Z&P - Your Committee concurs in the recommendation of the Planning Commission in granting the petition of Kristi Oman (BZZ-2044) to rezone the property at 3100 Johnson St NE from OR1 to the C1 District to permit a beauty salon, and adopting the related findings prepared by the Department of Community Planning & Economic Development.

Your Committee further recommends passage of the accompanying ordinance amending the Zoning Code.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

(Published 11/23/04)

Ordinance 2004-Or-137, amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to *Zoning Code: Zoning Districts and Maps Generally*, rezoning the property at 3100 Johnson St NE to the C1 District, was passed 11/19/04 by the City Council. A complete copy of this ordinance is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized ordinance:

ORDINANCE 2004-Or-137
By Schiff
1st & 2nd Readings: 11/19/04

Amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to Zoning Code: Zoning Districts and Maps Generally.

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That Section 521.30 of the above-entitled ordinance be amended by changing the zoning district for the following parcel of land, pursuant to MS 462.357:

A. Lot 15, Block 8, Koko Heights (3100 Johnson St NE - Plate 6) to the C1 District.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

Approved by Mayor Rybak 11/19/04.

Z&P - Your Committee, having under consideration the recommendation of the Planning Commission to grant the petition of Michael Lander (BZZ-1892) to rezone the property at 4251 Vincent Ave S from R1 to the R3 District to permit an additional single family dwelling on the rear of the lot plus another efficiency unit above a new garage, and to renovate the existing single-family house on the front of the lot and construct a detached single-vehicle garage (after demolishing existing garage and shed), notwithstanding the staff recommendation, now recommends that said application be forwarded without recommendation.

Lane moved that the report be deleted. Seconded.

Adopted upon a voice vote.

MOTIONS

Ostrow moved that the regular payrolls for all City employees under City Council jurisdiction for the month of December, 2004, be approved and ordered paid subject to audit by the Finance Officer. Seconded.

Adopted 11/19/04.

Absent - Johnson, Zimmermann, Schiff, Johnson Lee.

Ostrow moved concurrence in the reports received from the Finance Department (Petn No 270031) recommending payment of workers' compensation to various employees and to the State Fund, and for payment of bills and professional services rendered claimants or employees injured on the job. Seconded.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

RESOLUTIONS

All Council Members offered a Resolution recognizing the contributions of Robert S. Morgan to the City of Minneapolis during his career with the Department of Public Works.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

(Not Published. See Resolution 2004R-555 on file in the Office of the City Clerk.)

The following is the complete text of the unpublished resolution.

Resolution 2004R-555

By Ostrow, Zerby, Samuels, Johnson, Johnson Lee, Zimmermann, Goodman, Lilligren, Schiff, Niziolek, Benson, Colvin Roy and Lane

Recognizing the contributions of Robert S. Morgan to the City of Minneapolis during his career with the Department of Public Works.

Whereas, Bob has devoted 38 years working as an engineer for the Minneapolis Department of Public Works; and

Whereas, Bob, has represented Minneapolis's interests in the metropolitan area while attending meetings on transportation issues with the Minnesota Department of Transportation, Metropolitan Council, Metropolitan Transit Commission and with other metropolitan, county, and municipal governments, all the while promoting and facilitating professional intergovernmental cooperation; and

Whereas, Bob has served as the City's representative on the Transportation Advisory Board of the Metropolitan Council for many years; and

Whereas, Bob has made a significant contribution in the design and development of transportation systems and facilities within the City of Minneapolis; and

Whereas, Bob played a significant role in the development and implementation of light rail transit which is now providing a new and efficient transit alternative to the citizens of Minneapolis; and

Whereas, Bob has recently provided his professional assistance to the development of the Downtown Circulator, RFP for the North Terminal, the Midtown Exchange project, and numerous designs and redesigns of 35W; and

Whereas, Bob, with his depth of understanding of regional transportation issues, could respond to any question at the drop of a hat with a thoroughness that equated to a master's thesis on the subject;

Whereas, Bob has provided professional staff assistance in the form of briefings, advice, and recommendations to several generations of elected officials on complex and politically sensitive transportation management issues; and

Whereas, Bob's conduct as a Professional Engineer has been exemplary and serves as an example to all of how to provide outstanding service to the community;

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

That Robert S. Morgan is to be commended for his leadership, effectiveness, and tireless public service in the development of an outstanding transportation system.

Be it Further Resolved that the residents of the City of Minneapolis wish Robert S. Morgan all the happiness, peace, and prosperity the world can offer as he ends his exemplary career with the City of Minneapolis.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

All Council Members offered a Resolution honoring William J. Barnhart.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

(Not Published. See Resolution 2004R-556 on file in the Office of the City Clerk.)

The following is the complete text of the unpublished resolution.

Resolution 2004R-556

**By Ostrow, Zerby, Samuels, Johnson, Johnson Lee, Zimmermann, Goodman, Lilligren,
Schiff, Niziolek, Benson, Colvin Roy, Lane**

Honoring William J. Barnhart.

Whereas, William J. Barnhart worked tirelessly for the City Minneapolis for 31 years from his humble beginnings as a community planner for the Cedar Riverside area, to positions in the City's Grants office and to the Intergovernmental Relations Department where he served 23 years including one year as interim director; and

Whereas, William J. Barnhart played a vital role in the planning and management of the City's rapidly growing skyway system and was part of the creation of the Skyway Advisory Committee that is still functioning today; and

Whereas, William J. Barnhart represented the City in many efforts to secure the metro area's first light rail line and even chaired a technical advisory group that determined the location of the shops and yards; and

Whereas, William J. Barnhart has come to be considered a statewide expert and historian on local municipal tax policy and has dedicated his career to protecting the City's local government aids including being a key player in the creation of the Local Government Trust Fund and the Metropolitan Livable Communities Act; and

Whereas, William J. Barnhart embodied the Minnesota characteristics of an unassuming modest lobbyist who represented the City in a straightforward unassuming way that balanced the many and varied interests of the City; and

Whereas, his work including the passing of innumerable amounts of legislation from special service districts to notice publishing, from LGA formulas to special liquor licenses from residency requirements to "This old house"; and

Whereas, William J. Barnhart is famous for his instructive stories about past legislative events that are only rivaled by the proud stories of his family members (especially his glowingly stories about his children) that showed that while he was a dedicated member of the IGR staff, he truly understood what should come first in his life; and

Whereas, William J. Barnhart will be officially retiring from the City and assuming a more flexible schedule to perhaps coincide with snow falls in the Arapaho Basin or maybe even a run for Mayor of Aspen Colorado but will continue his relationship with the City of Minneapolis as he enters into what will most assuredly be a very successful second career as an independent lobbyist; and

Whereas, the people of the City of Minneapolis have benefited greatly from William J. Barnhart's contributions and we owe William J. Barnhart, and his family, a large debt of gratitude. He will be missed by all his friends and colleagues at City Hall;

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

That the City of Minneapolis expresses its sincere thanks and appreciation for the years of dedicated service provided by William J. Barnhart and that it joins Bill's many friends and colleagues in wishing him good luck, good fortune, and good health.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

All Council Members offered a Resolution commending Sarah Dixon on her service to the City of Minneapolis as an intern at the Minneapolis Department of Health and Family Support from June to December 2004.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

(Not Published. See Resolution 2004R-557 on file in the Office of the City Clerk.)

The following is the complete text of the unpublished resolution.

Resolution 2004R-557

By Zerby, Ostrow, Samuels, Johnson, Johnson Lee, Zimmermann, Goodman, Lilligren, Schiff, Niziolek, Benson, Colvin Roy, and Lane

Commending Sarah Dixon on her service to the City of Minneapolis as an intern at the Minneapolis Department of Health and Family Support from June to December 2004.

Whereas, Sarah Dixon, a Senior at the University of California - Santa Cruz, chose to come to the Minneapolis Department of Health and Family Support to fulfill her community service requirement as a volunteer Community Studies intern; and

Whereas, Sarah Dixon has been instrumental in developing and implementing a protocol to assist children with moderately elevated blood lead levels and their families, referring them to housing and education resources to control lead hazards and preventing these children from suffering the long-term effects of lead poisoning; and

Whereas, Sarah Dixon has worked closely with the staff of the New Families Center to design and develop materials that help explain the complex health system to families new to this City and Country, helping many non-English speaking families access needed health care; and

Whereas, Sarah Dixon has provided staff support for a new endeavor of the Department to develop an Urban Health Policy Agenda, forging new partnerships to ad

Whereas, Sarah Dixon has exhibited outstanding analytical and leadership skills during her internship, always going beyond the details of her assignments and adding value to her projects in ways that directly benefits Minneapolis residents;

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

That Sarah Dixon be commended for her dedicated service as a volunteer intern with the Minneapolis Department of Health and Family Support and the City Council extends its appreciation for her outstanding contributions to the wellbeing of Minneapolis residents.

Adopted 11/19/04.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee.

UNFINISHED BUSINESS

Spincycle Coin Laundry (2937 Dupont Av S): Sent forward without recommendation application for Laundry License (Postponed 2/13/04, PS&RS)

By unanimous consent, the above report continued to be postponed.

Parking for Minnesota State Fair and Use of Office Space at State Fairgrounds: Approve execution of lease agreement with the Minnesota State Fair for parking and office use. (Postponed 10/8/04, W&M)

By unanimous consent, the above report continued to be postponed.

NEW BUSINESS

Lilligren moved to adjourn to Room 315 City Hall immediately following the Minneapolis Community Development Agency (MCDA) Board of Commissioners meeting to consider a matter in regard to the claim of Willie Cash.

Adopted upon a voice vote.

Room 315 City Hall

Minneapolis, Minnesota

November 19, 2004 - 1:00 p.m.

The Council met pursuant to adjournment.

President Ostrow in the Chair.

Present - Samuels, Colvin Roy, Zerby, Lilligren, Niziolek, Benson, Lane, Ostrow.

Absent – Johnson, Zimmermann, Schiff, Johnson Lee, Goodman.

Also present - Jay Heffern, City Attorney; Tim Skarda, Assistant City Attorney; Inspector Don Harris (in at 1:08 p.m.), Police Department; Merry Keefe, City Clerk; Jan Hrcir and Peggy Menshek, City Clerk's Office.

Heffern stated that the meeting may be closed for the purpose of discussing attorney-client privileged matters involving the claim of Willie Cash.

Lilligren moved that the meeting be closed. Seconded.

Adopted upon a voice vote.

The meeting was closed at 1:02 p.m.

Skarda summarized the claim of Willie Cash from 1:02 p.m. to 1:20 p.m.

Benson moved that the meeting be opened. Seconded.

Adopted upon a voice vote.

The adjourned session of the City Council meeting was tape recorded with the tape on file in the office of the City Clerk.

Benson moved to adjourn to Monday, December 6, 2004, at 5:05 p.m. for the purpose of conducting the Truth in Taxation Public Hearing, and to conduct any other business deemed necessary at that time, and that such meeting be and is hereby declared to be an adjourned session of the regular meeting of November 19, 2004. Seconded.

Adopted upon a voice vote.

Merry Keefe,
City Clerk.

Unofficial Posting: 11/22/2004

Official Posting: 01/24/2004

Correction: 02/07/2005