Council Study Session
City Hall Council Chambers
August 12, 2019

AGENDA

The City Council requests that attendees turn off cell phones and pagers during the meeting. A copy of the full City Council packet is available to the public. The packet ring binder is located at the entrance of the council chambers.

1. **City Council Discussion of Agenda Items and Questions - 6:15 p.m.**
2. **Miscellaneous**
3. **Discussion of Work Session Agenda Item as Time Permits**
4. **Adjourn**

CITY COUNCIL MEETING
City Hall Council Chambers
August 12, 2019

AGENDA

1. Informal Open Forum with City Council - 6:45 p.m.

Provides an opportunity for the public to address the Council on items which are not on the agenda. Open Forum will be limited to 15 minutes, it is not televised, and it may not be used to make personal attacks, to air personality grievances, to make political endorsements, or for political campaign purposes. Council Members will not enter into a dialogue with presenter. Questions from the Council will be for clarification only. Open Forum will not be used as a time for problem solving or reacting to the comments made but, rather, for hearing the presenter for informational purposes only.

2. Invocation - 7 p.m.

3. Call to Order Regular Business Meeting

The City Council requests that attendees turn off cell phones and pagers during the meeting. A copy of the full City Council packet is available to the public. The packet ring binder is located at the entrance of the council chambers.

4. Roll Call

5. Pledge of Allegiance

a. Approval of Minutes

- Motion to approve the following minutes:

- *July 1, 2019 Special Work Session*
- *July 15, 2019 City Council/Financial Commission Work Session*
- *July 22, 2019 Study Session*
- *July 22, 2019 Regular Session*
- *July 22, 2019 Work Session*

b. Approval of Licenses

- Motion to approve licenses as presented.

c. An Ordinance Amending Chapter 7 Section 7.10 of the Brooklyn Center City Charter

- Approve the first reading and setting the second reading and public hearing for September 9, 2019, for an Ordinance Amending Chapter 7.10 of the Brooklyn Center Home Rule Charter

d. Resolution Accepting Work Performed and Authorizing Final Payment, Improvement Project Nos. 2017-01, 02, 03, 04 and 07, Evergreen Park Area Street, Storm Drainage, Utility, Trail and Parking Lot Improvements

It is recommended that the City Council approve the resolution accepting work performed and authorizing final payment, Improvement Project Nos. 2017-01, 02, 03, 04 and 07, Evergreen Park Area Street, Storm Drainage, Utility, Trail and Parking Lot Improvements.

e. Resolution Calling for a Public Hearing on Proposed Special Assessments

for Delinquent Public Utility Service Accounts

- Motion to approve a resolution calling a public hearing for Monday, September 9, 2019 on proposed special assessments for delinquent public utility service accounts.

f. Resolution Setting a Public Hearing on Proposed Modifications to Utility Fee Schedules Related to Delinquent Utility Charges

- Motion to set a public hearing for Monday, September 23, 2019 on proposed modifications to utility fee schedules related to delinquent utility charges.

g. Resolution Declaring a Public Nuisance and Ordering the Removal of Dead Trees at Certain Properties in Brooklyn Center, Minnesota

- Motion to approve a resolution Declaring a Public Nuisance and Ordering the Removal of Dead Trees for Certain Properties as listed in the resolution.

6. Presentations/Proclamations/Recognitions/Donations

7. Public Hearings

a. Public Hearing of an Ordinance Authorizing a Study and Placing a Moratorium on Development of Properties within the Opportunity Site

- Motion to open public hearing, take public input, and close the public hearing

- Motion to approve a second reading and adopt an Interim Ordinance authorizing a study and placing a moratorium on the development of properties within the Opportunity Site, and approve a summarized version of the ordinance for publication.

b. An Ordinance Amending Chapter 35 of the City Code of Ordinances Regarding the Zoning Classification at 5300 Dupont Avenue North (Christy's Automotive)

- *Motion to open public hearing, take public input, and close the public hearing*

- *Motion to approve the Second Reading, adopt an ordinance amending Chapter 35 of the Zoning Code of Ordinances regarding the zoning classification of 5300 Dupont Avenue North (Christy's Automotive), and approve a summarized version of the ordinance for publication.*

8. Planning Commission Items

9. Council Consideration Items

a. Resolution Awarding the Sale of $9,850,000 General Obligation Improvement and Utility Revenue Bonds, Series 2019A Fixing Their Form and Specifications; Directing Their Execution and Delivery; and Providing for Their Payment

- Motion to approve a resolution awarding the sale of $9,850,000 General Obligation Improvement and Utility Revenue Bonds, Series 2019A fixing their form and specifications; directing their execution and delivery; and

providing for their payment.

b. Resolution Authorizing the Execution and Delivery of a Ground Lease and a Lease-Purchase Agreement, and Approving and Authorizing Issuance of Lease Revenue Bonds and Execution of Related Documents

- Motion to approve a resolution of the City Council authorizing the execution and delivery of a ground lease and a lease-purchase agreement with the Economic Development Authority of Brooklyn Center, and approving and authorizing issuance of lease revenue bonds and execution of related documents.

10. Council Report

11. Adjournment

COUNCIL ITEM MEMORANDUM

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: Dr. Reggie Edwards, Deputy City Manager

FROM: Barb Suciu, City Clerk

SUBJECT: Approval of Minutes

Requested Council Action:

- *Motion to approve the following minutes:*
  - *July 1, 2019 Special Work Session*
  - *July 15, 2019 City Council/Financial Commission Work Session*
  - *July 22, 2019 Study Session*
  - *July 22, 2019 Regular Session*
  - *July 22, 2019 Work Session*

Background:

In accordance with MN Statute 15.17 and MN Statute 412.151, subd.1, attached for your approval are the minutes from the study session, regular session and work session.

Budget Issues:

None

Strategic Priorities and Values:

Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
July 1 Special Worksession	8/5/2019	Backup Material
July 15 Joint Worksession CC FC	7/29/2019	Backup Material
July 22 Study Session	8/7/2019	Backup Material
July 22 Regular Session	8/7/2019	Backup Material
July 22 Work Session	8/7/2019	Backup Material

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL OF THE
CITY OF BROOKLYN CENTER IN THE
COUNTY OF HENNEPIN AND STATE OF MINNESOTA

SPECIAL WORK SESSION
JULY 1, 2019
CITY HALL – COUNCIL CHAMBERS

CALL TO ORDER

The Brooklyn Center City Council Special Work Session was called to order by Mayor Elliott at 6:30 p.m.

ROLL CALL

Mayor Mike Elliott, Councilmembers Marquita Butler, April Graves, Kris Lawrence-Anderson and Dan Ryan; City Manager Curt Boganey, Community Development Director Meg Beekman, Public Works Director Doran Cote, Business and Workforce Development Specialist Brett Angell; Haila Maze, Bolton & Menk; Bob Lux, Chris Osmundson, David Dredsner, Jessa Lux, Ashley Bisner from Alatus, LLC; Damaris Hollingsworth, Architect with Design by Melo; Andrew Dresdner, Cunningham Group Architecture; and Stacy Kvilvang and Keith Dahl, Ehlers & Associates.

REVIEW OF OPPORTUNITY SITE

Community Development Director Meg Beekman thanked all the attendees. She added this is an opportunity to check in with the City Council regarding the Opportunity Site development, although input is still being collected. She noted the group could come back together over the next few months to continue the conversation, which is in its beginning stages.

Ms. Beekman provided a review of the property. She added the EDA had acquired significant portions of the properties because of the state of the market and reduced property values. In February 2018, developers were invited to present concepts for the property, and Alatus was selected. A Preliminary Development Agreement was signed in April 2018 and renewed in April 2019. Renewal of the PDA solidified the partnership with Alatus and created a unique relationship with a team of consultants led by City Staff and supported by Alatus.

Ms. Beekman stated the property had been re-designated by the recently adopted Comprehensive Plan as Transit-Oriented Development (TOD) and Mixed Commercial. Both of these zoning districts are mixed-use and encourage high-density uses. The TOD is a pivot for the city, embracing transit and multi-modal approaches, taking into consideration accessibility for future generations. She added this is something the City does not currently have, and it can be difficult to picture what this change will look like in Brooklyn Center.

Ms. Beekman stated this is the first phase of the engagement process, and consultants, including Haila Maze, will provide information about plans for the next steps. A series of workshops in

partnership with the developer was used as a jumping-off point for getting ideas and recommendations for how to broaden the engagement outreach.

Ms. Beekman stated Ms. Maze met with the City's Multi-Cultural Advisory Committee to talk about what is important to them. She has also had conversations with multiple local groups, including a pop-up information booth at the Community Health Fair and Earle Brown Days, which was a great opportunity to engage with residents and families and provide information.

Haila Maze, Bolton & Menk, stressed the importance of identifying priorities for different groups within the City of Brooklyn Center. Many residents have expressed a desire for a gathering place for families, a welcoming outdoor space, and a place to feel that they belong and are part of the community. Attractions and amenities should be accessible and affordable and build upon the City's cultural diversity. Ideas include businesses, shops, and entertainment that looks like the residents who live and shop here.

Ms. Maze stated major roads hem in the property, and it will be important for residents to feel that it is accessible and connected to surrounding neighborhoods. Residents have expressed these goals of affordability, diversity, welcoming, supporting health and wellness, and fiscally responsible in terms of investment and property. There should be a benefit to residents who are here right now, and the development should be something residents can be proud of, a source of community pride.

Bob Lux, representing Alatus, stated the series of workshops provided a checklist of items that Alatus is trying to achieve, and every item was on-target in terms of what they are looking to deliver. The concept has evolved into retail, housing, a movie theater, and true park and recreation activities. He added both Hy-Vee and Target were approached as anchor tenants, but their independent research led them to the conclusion that Brooklyn Center is not a strong retail market. He noted it became clear that the site would need to be branded in a different way to attract major investment. The concept was expanded, and a unique relationship was the result of the last 6-8 months of work on the project. The original concept is still valuable, but phasing will change to make a bigger impact in the long-term.

Mr. Lux stated Emagine Theatres wants to be on the site, and they are very enthusiastic about the development plans. The Main Street concept was developed, with sustainable design, a multi-cultural center, and walkable/bikeable living community with outdoor recreation/family activity area between the freeway and housing. There are discussions with a potential anchor use for the outdoor activity site, which would be extraordinarily transformative to the site, the community, and this part of the Twin Cities area.

Mr. Lux stated the potential outdoor activity site would be a regional attraction and is being pursued due to the success of TopGolf, which has benefited from great accessibility and visibility.

Mr. Lux stated the developers are meeting with retailers on the current site, including Davanni's, the restaurant supply store, which needs a larger facility and is in a good position to look for a different site. He added Kmart is under contract to purchase.

Mr. Lux stated the housing portion of the development would be a mix of senior housing, market-rate, and affordable apartments as well as rental townhomes and for-sale townhomes. He added there had been discussion regarding single-family homes, and there may be a need for some of that type of housing, but right now the vision is for high-density development.

Councilmember Butler asked whether the mix of apartments prices would be in one building or separated into multiple buildings. Mr. Lux stated that it had not been decided, but a market-rate development would probably be a separate building with the highest possible amenities. He added it would be necessary to establish the market and start with market-rate apartments first.

Councilmember Ryan stated he supports the concept of establishing the market, the developer's concept is sound, and this is the direction the City should take. He added residents had been frustrated with the lack of retail, services, and amenities in the City.

Andrew Dresdner Cunningham Group, then presented the master plan, including a checklist that ties together the City's policies with Alatus' vision for the development. He added the task is to create a plan that feels like Brooklyn Center, for the residents that live here now, but also a place that is fiscally sound and responsible, efficient, and safe. He noted the master plan must satisfy all those requirements.

Mr. Dredsner stated the master plan is a document that identifies a long-term vision for a site. The master plan will seek to align infrastructure with private investments and identify how investments should and can contribute to the improvement of and be a benefit to the community. The master plan sets the partners on a direction toward a place, but it is not a description of how to get there, providing direction but also flexibility.

Councilmember Graves requested clarification regarding the two items before the development agreement, one of which is the AUAR. Mr. Dredsner stated the development agreement, and AUAR ties Phase 1 and the master plan together, as they are being considered concurrently.

Ms. Beekman stated AUAR, or Alternative Urban Areawide Review, is the environmental analysis of the site, and the alternative to an environmental worksheet.

Mr. Dredsner stated the goal is to move toward calling the area something like "downtown Brooklyn Center." Downtown areas generally have multiple overlapping uses, starting with housing, which is the concept of building a neighborhood. It is off-set with local and regional access, so the market is bigger than just the local area. Connecting the downtown area to the local fabric is critical.

Mr. Dredsner stated the site already has an abundant infrastructure. There are many assets near the property – neighborhoods, amenities, the government center, Earle Brown Heritage Center, the library, and Centennial Park. The idea is to create a new crossroads in the middle of the site connecting neighborhoods on the east through the site to Centennial Park and the library on the west and connecting transit to Earle Brown Heritage Center from south to north.

Mr. Dredsner stated the site would have a stormwater feature through the site providing areas for recreation and for residents to get outside and enjoy open space. The regular grid of streets would be scaled for walking and driving, and the south and north neighborhoods will have a wide range of housing options. Small parks will be located within each neighborhood, and Three Rivers Parks District has expressed an interest in developing a 1-2-acre park on the site.

Mr. Dredsner stated retail would be on the main street, mostly small-scale businesses and restaurants. There is potential for a grocery store, and Metro Transit is interested in moving their transit hub onto the site, coupled with a park and ride, which would help support the development of the site.

Mr. Dredsner stated the developers had had discussions with Minnesota Department of Transportation (MnDOT) regarding a regional trail connection through the site, bringing the Twin Lakes Trail and connecting to Centennial Park.

Mr. Dredsner stated the streets in the site would be approximately 250-350 feet long with flexible designs so any block can take multiple types of buildings, depending upon the market. There will be some townhomes and taller buildings. The main street will be a 2-block stretch, with some retail but also a street for people to gather.

Mr. Dredsner stated the development would be tied into the regional stormwater system, and the Watershed District is involved in this planning process. It is hoped that the site can be integrated with Shingle Creek in ways that are environmentally responsible. An extensive greenway system will run through the entire site, and a central component, an open park, would be a regional destination, hosting community and regional events. The trails system will help leverage all the amenities on the site.

Mr. Lux stated housing would be approximately 1500 units initially, and then up to 2500 units as the project develops. He added a grocery store is being sought as an anchor for the site. Several of the users are currently on the site, and the goal is to keep them on the site. He noted the property that Panera is in had traded hands in the past few years, and the owners had not anticipated that Target would leave, so they are interested in discussing their options.

Mr. Lux stated the federal Opportunity Zone designation created financing opportunities without which the development would not be feasible. He added the timing is good for this type of funding, and the development team wants to get the master plan solidified within the next 2-3 months, get some major tenants on board including the movie theatre, and get the first housing units underway. Hopefully, the grand outdoor activity feature will be underway in 2020. The business plans must be completed, and funds escrowed in 2019 to get the greatest benefit from Opportunity Zone funding. He noted all the components that have been discussed thus far are viable.

Councilmember Butler asked whether the development would influence school capacity, with the additional housing that is being planned. Mr. Lux stated that it is unclear, but there will not be a big

increase in children in the area, as Brooklyn Center already has a large variety of affordable single-family homes.

Ms. Beekman stated there is an open enrollment factor that the School District can use to determine the availability of space. She added the School District is very welcoming and excited about the development, as the increased tax base will have a strong impact on the School District's ability to leverage resources.

Mayor Elliott asked whether there is data available related to rents for the proposed apartments. Mr. Lux stated rents would be approximately $1,400-1,500 for 1-bedroom units, upper $1,000's for 2-bedroom units, and low to mid $2,000's for 3-bedroom units.

Councilmember Ryan stated, about naturally occurring affordable housing in Brooklyn Center, many older residents may want to sell their homes and live in rental units, creating more housing for young families.

Ms. Maze stated a concern that residents have raised is whether an increase in property values would make the City less affordable for residents. She added increased property values could be a benefit for residents who own their homes.

Mr. Lux stated, about market timing, creation of the master plan is critical due to imminent opportunity and chance to make something happen, with an increase in investment and interest in urban living.

Mr. Lux stated there had been concern about increased traffic that would result from the development. He added any project like this would have an increase in traffic, which can be handled responsibly. He added this area has excellent access to interstate and highways, which is a benefit.

Mr. Lux stated the site is not pristine, and another benefit is the opportunity to make something better and improve environmental aspects of the site. He added the Watershed District is interested in the site, and ways that local and regional environmental interests can be served and improved.

Ms. Beekman stated the next phase is the completion of the AUAR, which covers the entire development, including traffic, water quality, noise levels, historic elements, soil conditions, and stormwater issues. Once completed, the AUAR would allow each phase of development to go through without additional environmental review, provided it was within the development scenarios indicated within the AUAR, which is specifically designed for this type of planning. The AUAR must be completed before development can proceed.

Ms. Beekman indicated the next phase of community engagement include a community-based task force, with members who will be identified that have been and will be impacted by the development site, and stakeholders that can support the process over an extended period. She added these community partners would co-create the engagement process and facilitate ways of giving information and receiving feedback. Ideas include pop-up events, a community Open House,

continued meetings with Commissions and Committees, and workshops with Brooklyn interns to solicit their input. A demonstration project is being considered with Hennepin County's Open Streets program to look at connections to the surrounding communities.

Councilmember Butler stated National Night Out would be a good opportunity for the City Council to do some outreach, as they go to different parties with Police Officers, making multiple stops and talking to dozens of residents. She added City Staff could provide a brochure of information for the City Council to give to residents.

Councilmember Graves agreed, adding the City Council has done that with the "Becoming Brooklyn Center" flyers in the past.

Councilmember Graves stated she would like to hear more consideration of ways to make Brooklyn Center more of a green city and be stewards of the environment. She added that it would be something that a lot of residents could get excited about. She stressed the importance of including a narrative that is reflective of residents' environmental sustainability interests.

Councilmember Graves stated she supports the idea of a multi-cultural marketplace. She added she realizes this is the concept stage. She asked what a marketplace would look like, and why this would be a good location for that kind of use.

Mr. Dredsner stated the "marketplace" concept addresses the lack of sustainability that regular retail spaces often experience. A marketplace provides the opportunity for locally owned businesses and incubators to have a retail space but only pay rent to the management company, without risk of the real estate tax and common area maintenance. The concept is flexible, and the marketplace can change every year, or as needed.

Councilmember Ryan stressed the importance of being mindful of the critical deadlines coming up. He added the project would not be feasible without the Opportunity Zone incentives. He noted the developer has indicated that a financial plan must be in place by the end of the year, and a lot of pieces need to be in place for that to happen.

Mayor Elliott stated there are somewhat competing outcomes and many things that need to be balanced in this process. He added this is an important opportunity to bring something valuable to the City with many benefits, but it is challenging to do a development project of this size. He stressed the importance of ensuring that the development will meet the needs and reflect the diversity of the community and ensure that the effort is meaningful and significant. He added Minnesota's growth in the coming years will come from communities of color, and the City is well placed to make meaningful change in this regard. He expressed concern about the timeline and ensuring that the community is fully engaged. He urged everyone to think of innovative and unique ways to achieve the necessary goals.

Councilmember Ryan stated the City Council had discussed the gentrification of the area, and the necessary changes the City will go through to make this redevelopment and rebirth a success. He

stressed the importance of doing whatever is necessary to accommodate the needs and interests of all of Brooklyn Center's residents.

Councilmember Ryan stated the owners of the Lux Apartments have said that they are surprised and excited by the diversity of residents in their building, paying premium rents. He added these residents want to stay in their community, and they are attracted to the idea of living in a diverse luxury building. He noted that is the path toward sustainability, and to focus only on those who are here is misguided.

Councilmember Graves stated gentrification has reverberating effects. She stressed the importance of finding the right balance and continuing the work of community engagement. She added she feels the work that has been done so far is reflective of the community. She reiterated her belief that the environmental component should be a big factor. She noted there is a need for "move-up" housing in the community, and that will be an asset to the project, but affordable housing is also necessary.

Councilmember Graves stated she is excited about what has been presented so far, and she hopes the Task Force will be instrumental in keeping the momentum moving forward.

Councilmember Butler stated she too is very excited about what has been presented at the meeting. She added she was concerned about lack of involvement during the workshop series, although it got better by the last workshop, and she appreciates all the efforts by City Staff and the consultants to make the workshops a success. She stressed the importance of involving the community in every step of the process.

Councilmember Butler stated she feels there should be attractions and recreational areas that everyone can afford. She added, however, she also supports having amenities like TopGolf for those who can afford it. She noted residents often have to leave Brooklyn Center to find those types of amenities.

Councilmember Butler stated the developer had mentioned a mix of retail that would be like a global market. She requested more information on that concept.

Chris Osmundson, Alatus, stated that type of use has taken off, and an appropriate model would be Minneapolis' Midtown Global Market. He added other cities had created this type of marketplace, which incorporates local businesses with a management component. Grants and sponsorship can be facilitated during the establishment of the marketplace model.

Councilmember Butler asked whether the downtown area would be more of an upscale area, and how businesses are found for downtown. Mr. Osmundson stated the market would dictate that, but the idea is to have multiple uses that complement each other, so the downtown area is busy throughout the day and into the evening.

Mr. Lux stated it is vitally important to create a brand around the whole area so that retail and commercial uses will seek out the development as it progresses. He added, about the marketplace

concept, this model reduces barriers of entry for new businesses, creating opportunities for a start-up without much capital. He added a management company would do the work of engaging these businesses.

Mr. Lux stated, regarding the movie theatre, it would be located on top of the global market, to densify the area as much as possible. He added it could be situated with the parking garage, so the ramp serves the entire area and improves overall connectivity.

Ms. Beekman stated housing is only one component of the site, and there is a list of regional drivers that could bring people to the site, related to the private sector. She added, from a public sector standpoint, a new City Hall is proposed to be located on the site. She noted she repeatedly hears within the community that there is a great desire to have a multi-cultural center, and City Staff and the developer are exploring the next steps to be taken for developing that concept. A multi-cultural public space, managed by the City, could be an important anchor for the entire site.

Councilmember Lawrence-Anderson stated she supports everything she has heard so far. She asked whether pets will be allowed in public spaces and if there will be a dog run or pet-walking area. Mr. Lux confirmed this, adding that it is a very important component for many residents who have pets.

Councilmember Lawrence-Anderson expressed concern about moving the transit hub into the site, based on the problems that have occurred at its current location.

Mr. Lux stated the development team has met with Metro Transit many times on this issue. He added the current location is very isolated, and it is believed that a busy, open area will be a better location for the transit hub, where it can be part of the larger system, and bring people to and from the site.

Councilmember Ryan stated he supports the comments of his colleagues and appreciates all the hard work that has been done so far. He added the site has the potential to evolve into a major downtown area, with its intersecting roadways that are vectors for commercial or mixed-use spaces that leverage one another, and easy walkability.

Councilmember Graves asked whether community outreach has been done at the summer Saturday markets. Ms. Beekman stated information was available at Earle Brown Days and will be available at the market on Saturday, July 6, 2019, and the next Saturday market. She added Hennepin County is planning to bring their Active Living Team, who are interested in looking at connectivity on the site. An event is planned at CEAP's Friday Farmer's Market as well, and there are many other opportunities for community engagement. She noted Ms. Maze had created an interactive tool that allows people to select components that are important to them.

Ms. Beekman stated she is working with Mr. Angell on developing a program to build capacity for local businesses. She added the program would focus on engaging with local business owners to identify their needs over the next 2-3 years, so they are ready to be successful in this development.

Councilmember Graves expressed concern regarding the timing of the project. She added the AUAR takes nine months to a year and must be completed before anything else can happen. Ms. Beekman stated the AUAR could be started immediately. She added it is a substantial commitment.

Ms. Beekman stated the regional recreation use would have a significant impact on traffic generation, so to some degree, it is necessary to understand who the tenants will be. She added proposals had been received from a few consultants and the development team is ready to move forward.

Councilmember Graves asked whether there is any concern that the AUAR will reveal something that is not included in the development agreement and whether it would be necessary to build in unforeseen circumstances. Stacy Kvilvang, Ehlers & Associates, stated nothing unusual typically comes up with the AUAR that has not already been anticipated.

Mayor Elliott asked what the developer's period is for moving forward. Mr. Lux stated the development period is 10-15 years, although a large portion could happen very quickly. The initial phase of 300-400 housing units, as well as marketplace, theater, hotel, and recreational facility all, could happen within 3-5 years. He added opening new amenities would encourage more demand for housing.

Mayor Elliott asked whether there is a competing interest in terms of balancing affordability with the market rate. Mr. Lux stated he sees that as a strength of the project, that the City embraces diversity and income on every level. He added diversity of income is the main component of this development, and it is the best solution for the City of Brooklyn Center.

Ms. Kvilvang stressed the importance of flexibility in timing and scheduling, and in having confidence in the City's partnership with the developer, which is a leap of faith together. She added the concept plan would change over time, and the City should be prepared to go with the ebb and flow over the next 10-15 years as the site is developed.

Ms. Kvilvang commended Ms. Beekman for her hard work and efforts in balancing this process. She added the developer is forward-thinking and has expressed their commitment to and concern for the community.

ADJOURNMENT

Councilmember Lawrence-Anderson moved, and Commissioner Ryan seconded adjournment of the City Council Work Session at 8:36 p.m.

Motion passed unanimously.

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL/FINANCIAL COMMISSION
OF THE
CITY OF BROOKLYN CENTER IN THE
COUNTY OF HENNEPIN AND STATE OF MINNESOTA

JOINT WORK SESSION
JULY 15, 2019
CITY HALL – CITY COUNCIL CHAMBERS

CALL TO ORDER

The Brooklyn Center City Council/Financial Commission Joint Work Session was called to order by Mayor Elliott at 6:30 p.m.

ROLL CALL

Mayor Mike Elliott and Councilmembers Marquita Butler, April Graves, and Dan Ryan. Also present were Financial Commissioners David Dwapu, Tia Hedenland, Abate Terefe, and Dean Van Der Werf. Also present were City Manager Curt Boganey, Deputy City Manager Dr. Reggie Edwards, Director of Fiscal & Support Services Nate Reinhardt, and Director of Public Works Doran Cote.

OVERVIEW/INTRODUCTION

City Manager Curt Boganey stated the purpose of the joint Financial meetings is to review the 2020 budget process and receive feedback and direction as the budget develops. He added this evening's presentation relates to capital funds, which is probably the most important budget under consideration as it ensures that the City has solid infrastructure. He added the capital funds investments are not often seen by the general public. He noted capital expenses are increased greatly if investment is neglected.

Councilmember April Graves arrived at 6:36 p.m.

CAPITAL IMPROVEMENTS FUNDS

Finance Director Nate Reinhardt stated tonight's presentation would cover capital projects for 2020 and 15-year Capital Improvement Plan (CIP). He added priorities could shift and change, so the CIP document is a prioritized list of projects based on year and funding opportunities. He noted the CIP covers public utility projects and infrastructure improvements connected with street reconstruction, including roadways, curb and gutter, parks improvements, building, and facility improvements, and various funding sources used depending upon the project.

Mr. Reinhardt stated $10.8 million in capital improvement projects are planned for 2020. He added the total includes four bridge rehabilitation projects that will be addressed as two separate projects, as well as ADA improvements to Xerxes Avenue and Bass Lake Road and the Shingle Creek Improvement Project.

Councilmember Graves asked whether it is common practice to include everything above $50,000. Mr. Boganey stated the City has a policy of a minimum $50,000 investment instituted by the City Council. He noted he would provide a copy of that policy for the City Council.

Mr. Boganey stated neighborhood construction projects would be split into different projects over multiple years due to escalating costs. He added he has heard from other cities that capital projects are coming in exceptionally high over budget. He noted this is due to increasing construction costs as well as many contractors are working on the light rail projects.

Mr. Reinhardt stated the Capital Improvement budget funds $1.3 million in projects, including replacement of retaining walls, new playground equipment, and City building improvements.

Mr. Boganey stated this is a relatively new fund, established within the last ten years, earmarked for building improvements. This fund ensures that building maintenance and repair projects are completed when they become necessary.

Mr. Boganey stated the types of funding used include the City's share of local government aid as well as an estimated amount of revenue from liquor fund. He added there had been a conversation about what happens to the liquor fund, so it is important to note that liquor fund proceeds go into this fund to offset projects, including playground equipment.

Councilmember Graves stated there had been some discussion regarding playground equipment that is outdated and has a plan for addressing parks that need improvement. She added she would support ensuring that parks that are in the most need of improvement are addressed first, taking into consideration criteria such as area demographics and proximity to other parks.

Mr. Boganey stated there is an existing plan that has been formulated based on recommendations from the Parks Commission and City Staff.

Commissioner Terefe asked whether local government aid can be spent at the discretion of the City. Mr. Boganey stated cities receive this type of funding based on a formula that is established at the State level and is based on need, so not all cities can qualify.

Commissioner Dwapu asked whether the amount of local government aid is an estimate. Mr. Boganey stated the State legislature increased the total amount of funding available to cities that qualify, and the City of Brooklyn Center should receive a specified amount.

Mr. Reinhardt stated it has been beneficial for the City to have local government aid funding. He added there had been years when this type of funding has been cut at the State level, and cities have to make up the difference in budget cuts. He added the City of Brooklyn Center does not put 100% of their local government aid estimate into the general operating budget.

Mayor Elliott stated he testified at the State legislature regarding local government aid funding. He added legislators were interested to know whether the projected increase would have an impact on the City's ability to keep taxes down.

Councilmember Ryan stated there should not be any problem defending the City's policy, as the overriding fact is that costs go up if you delay capital improvements. He added the absence of tax

capacity has more bearing on the City's share of local government aid and the impact of cuts in funding.

Mr. Boganey stated property taxes generally increase when local government aid is reduced, to make up for cuts across the State.

MUNICIPAL STATE AID FUND

Mr. Reinhardt stated 2021 projects include Brooklyn Boulevard corridor improvements which will use mostly federal funding. He added projected bond sales in 2021 and 2023 will cover the City's share of Highway 252 improvements as well as Brooklyn Boulevard Phase 2 and would likely be repaid with a property tax levy.

Mr. Reinhardt stated Minnesota State Aid (MSA) funding is used for street repairs and comes to the City through State revenues. He added MSA funding would be required for projects on Bass Lake Road and Xerxes Avenue in 2020.

Director of Public Works Doran Cote stated the City of Brooklyn Center is close to the maximum amount of MSA funds that can be generated for street reconstruction.

Mayor Elliott requested clarification regarding State revenues used for MSA road repairs. Finance Director Nate Reinhardt stated the City is capped at an annual amount that comes as a reimbursement to the City after the project is complete. He added the City of Brooklyn Center requested their State revenues in 2017 in advance to continue to do projects without falling into a negative cash balance.

Mr. Reinhardt stated street reconstruction projects are generally funded with franchise fees, but often property tax funding is used as well. He added project costs have increased. He noted over $2 million is earmarked for projects in 2020, including the Grandview development and two bridges on Shingle Creek Parkway,

Mr. Boganey stated the City of Brooklyn Center has a generous formula for street reconstruction costs, with 1/3 paid by individual property owners based on an assumed increase in property values. He added residents in other cities often pay a bigger share. He noted this policy has been in place since the inception of the street reconstruction program in 1993.

Mr. Boganey stated nearly every neighborhood would be complete by 2023 at which point it will be appropriate for the City Council to decide whether to continue the same policy.

Mr. Boganey stated he feels confident that increased property values as a result of street reconstruction will be higher than annual assessment amounts.

Councilmember Ryan stated many cities do assessments for street utility projects. He added this is tied to issues of equity and fairness in assessments as well as property tax improvement values.

SPECIAL ASSESSMENTS FUND

Mr. Reinhardt discussed the special assessment fund. We have some larger projects, so in the process of issuing bonds that would include a portion of the project with special assessment cost and in 2024 would be paid by special assessment revenues

Mr. Reinhardt reviewed 2020 utility projects totaling $6 million. Mr. Boganey asked why is it expensive to paint the water tower. Mr. Cote stated paint is expensive, and the existing coating has to be blasted off, structural repairs completed, welding done in the tank interior and four coats of paint. He added it could take an entire summer to rehabilitate a water tower.

Commissioner Van Der Werf asked whether there is a breakdown of costs associated with the rehabilitation of the water tower. Mr. Cote stated there is no specific dollar amount until the project goes out for bid. He added there is a cost estimate, but specific items are added as they come up, and estimates are generally based on similar past projects.

Mr. Boganey agreed to provide a breakdown of costs based on previous water tower projects.

Commissioner Abate asked what the useful life of a water tower is. Mr. Cote stated water towers are generally expected to last for 30 years. He added they are inspected internally every five years, and the project life is estimated based on the inspections. He noted the cost of a new water tower is over $1 million.

OVERVIEW OF UTILITY FUNDS

Mr. Reinhardt stated the 2020 budget is not completed for utility funds, but 2019 data has been updated to show its impact on the capital improvement plan. He added the City Council recently discussed potential changes to rate penalties, and those changes have not been included. He added rates were raised significantly from 2015-2017 for the new water treatment plant. He added, based on current data, an increase is possible in 2020.

Mr. Reinhardt stated sanitary sewer rates have increased at an annual rate of 3%. He added the sanitary sewer fund is in a strong cash position with a projected balance of approximately $2 million at the end of 2021, after which there will be significant decrease due to projects planned for that year.

Mr. Reinhardt stated a $350,000 grant related to stormwater improvement projects is listed under "Intergovernmental" in the 2020 budget. He added this includes Shingle Creek improvements.

Mr. Reinhardt stated lighting projects are covered under the streetlight fund, under which no rate change is anticipated. Mr. Boganey stated streetlights owned by utility companies do not fall under this fund. Mr. Cote confirmed this, adding only streetlights that are owned by the City are replaced by the City. He added Excel Energy has different lighting options for cities, and the majority of streetlights are leased.

Commissioner Abate asked why the cash balance flow stays the same in the streetlight fund. Mr. Reinhardt stated there are not as many projects planned after 2027.

Mr. Reinhardt stated debt issue would be paid from various sources in 2020. He added the Capital Improvement Plan gives an idea of projects, but realistically things may change.

Mr. Reinhardt stated $14.4 million in bond issues would be anticipated in 2020 and 2021.

Mayor Elliott asked whether there concern regarding the City's debt based on projections and whether it will have any effect on the City's bond rating. Mr. Reinhardt stated the City is below average for debt, and City Staff does not expect there to be an impact on debt rating over the next few years.

Mr. Boganey confirmed this, adding the City has a Double-A (AA) bond rating, which is a good indication that debt is not excessive.

Mr. Boganey stated utility rates are increasing compared to 10 other cities that were identified by the Financial Commission for comparison purposes. He added, however, the City of Brooklyn Center is still in the lower quartile of those cities.

Mayor Elliott asked what portion of investment funds go to repaying debt. Mr. Reinhardt stated payments are made annually, and the percentage is not very high. He added he would have to get the numbers on that.

Mr. Boganey stated City Staff could provide information regarding annual debt service payments.

Councilmember Ryan stated interest rates are very low, which is a big advantage, but cash will have less yield. He added this is not going to drive a big part of the budget.

Commissioner Abate asked whether there is a maximum amount the City can reclaim as debt. Mr. Reinhardt stated that is 3% of total market value, or $56 million.

TECHNOLOGY FUND

Mr. Reinhardt stated the capital improvement fund for technology covers software upgrades and purchases and audio/visual equipment. He added five years' worth of projects is identified.

EBHC CAPITAL FUND

Mr. Reinhardt stated there are expenses related to renovating the pond area near the Earle Brown Heritage Center (EBHC).

Mr. Boganey stated several property owners would benefit from improvements to the pond, as they all share the amenity. He added it would be problematic to try to get individual property owners to voluntarily agree to share the costs, and City Staff recommends that the City should fund the improvements if it falls within the budget. He noted the trailway at the pond adds to the City's trails system and overall walkability.

Mr. Reinhardt reviewed cash flow analysis for Earle Brown Heritage Center (EBHC) operations. He added there is a policy in place, providing a minimum amount for operations. He noted City Staff

feels that the performance of EBHC operating fund will result in sufficient funding of projected amounts based on a five-year average.

Mayor Elliott asked whether weddings make up a large portion of their business. Mr. Boganey stated he guessed that wedding sales is generally around 20% of annual sales. Mr. Reinhardt stated much of their business is seasonal, based on the type of event, but they try to ensure they are not relying on one type of business.

Mr. Boganey stated corporate business events might be the highest contributor, and other meetings and events, as well as weddings. He added the return on investment is higher for corporate business events than for weddings. He noted corporate events generally have a bigger budget.

Mayor Elliot stated additional information could be made available to the meeting attendees.

Councilmember Ryan stated it would be useful for the City Council to have information on LOGIS as the technology fund is reviewed. He added LOGIS is a significant expense, and the service provided is very significant and beneficial. He noted this information should be made available to the public.

Mayor Elliott stated he would like to find out about alternatives to LOGIS. Mr. Boganey agreed to put some information together.

Mr. Reinhardt stated the next Joint Financial meeting would include a budget overview as a kick-off to the budget process. He added department heads would present individual budgets for review and comment.

Mr. Boganey stated the City Council would be required to adopt the preliminary maximum levy by the end of September. He added general direction from this group will be helpful in that respect and for decisions regarding general fund expenditures.

Mayor Elliott stated, throughout the process, there will be opportunities to review and comment on previously presented information. Mr. Boganey agreed.

ADJOURNMENT

The Brooklyn Center City Council/Financial Commission adjourned at 8:30 p.m.

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF BROOKLYN CENTER IN THE COUNTY
OF HENNEPIN AND THE STATE OF MINNESOTA

STUDY SESSION
JULY 22, 2019
CITY HALL – COUNCIL CHAMBERS

CALL TO ORDER

The Brooklyn Center City Council met in Study Session called to order by Mayor Mike Elliott at 6:53 p.m.

ROLL CALL

Mayor Mike Elliott and Councilmembers Marquita Butler, April Graves, Kris Lawrence-Anderson, and Dan Ryan. Also present were City Manager Curt Boganey, Deputy City Manager Reggie Edwards, Director of Public Works Doran Cote, Community Development Director Meg Beekman, Business and WorkForce Development Coordinator Brett Angell, Police Chief Tim Gannon, City Attorney Troy Gilchrist, and Mary Mullen, TimeSaver Off Site Secretarial, Inc.

CITY COUNCIL DISCUSSION OF AGENDA ITEMS AND QUESTIONS

Mr. Boganey requested the following corrections to the June 24, 2019 Study Session meeting minutes:

-Page 1, first paragraph, "Roll Call," line 1, remove "Marquita Butler."
-Page 1, first paragraph, "Roll Call," line 2, after "Dan Ryan" add "Councilmember Marquita Butler was absent and excused."

Mayor Elliott stated he plans to ask the young people who were present at the meeting to introduce themselves. He added the youth are present to participate in the City Council meetings as part of their Youth in Government Day events. He noted it would be appropriate to have the young people say a few words about themselves after the City Council's Roll Call.

Councilmember Ryan stated Councilmember Butler is on the schedule to do the Invocation during tonight's Regular Session meeting.

MISCELLANEOUS

Councilmember Graves stated she is unable to attend the Budget Meeting on Monday, July 29, 2019.

ADJOURNMENT

The Study Session was adjourned at 6:58 p.m.

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF BROOKLYN CENTER IN THE COUNTY
OF HENNEPIN AND THE STATE OF MINNESOTA

REGULAR SESSION
JULY 22, 2019
CITY HALL – COUNCIL CHAMBERS

1. INFORMAL OPEN FORUM WITH CITY COUNCIL

CALL TO ORDER INFORMAL OPEN FORUM

The Brooklyn Center City Council met in Informal Open Forum called to order by Mayor Mike Elliott at 6:45 p.m.

ROLL CALL

Mayor Mike Elliott and Councilmembers Marquita Butler, April Graves, Kris Lawrence-Anderson, and Dan Ryan. Also present were City Manager Curt Boganey, Deputy City Manager Reggie Edwards, Director of Public Works Doran Cote, Community Development Director Meg Beekman, Business and Workforce Development Coordinator Brett Angell, Police Chief Tim Gannon, City Attorney Troy Gilchrist, and Mary Mullen, TimeSaver Off Site Secretarial, Inc.

Mayor Mike Elliott opened the meeting for Informal Open Forum.

No one wished to address the City Council.

Councilmember Lawrence-Anderson moved, and Councilmember Butler seconded to close the Informal Open Forum at 6:52 p.m.

Motion passed unanimously.

2. INVOCATION

Councilmember Butler stated she would attend the YMCA Global Youth Event in London, England, from August 4-8, 2019. She gave a brief presentation regarding the YMCA, which is celebrating its 175th year. She added over 5,000 people from 126 countries would be represented at the YMCA Event in London. She noted she is bringing a local youth from New Hope, Minnesota to London to participate in this special event.

Councilmember Butler read the following quote:

> The more we increase the active participation and partnership with young people, the better we serve them. And the more comprehensively we work with them as service partners, the more we increase our public value to the entire community."
> - Carmen Martinez

3. CALL TO ORDER REGULAR BUSINESS MEETING

The Brooklyn Center City Council met in Regular Session called to order by Mayor Mike Elliott at 7:00 p.m.

4. ROLL CALL

Mayor Mike Elliott and Councilmembers Marquita Butler, April Graves, Kris Lawrence-Anderson, and Dan Ryan. Also present were City Manager Curt Boganey, Deputy City Manager Reggie Edwards, Director of Public Works Doran Cote, Community Development Director Meg Beekman, Business and WorkForce Development Coordinator Brett Angel, Police Chief Tim Gannon, City Attorney Troy Gilchrist, and Mary Mullen, TimeSaver Off Site Secretarial, Inc.

Mayor Elliott welcomed the Youth in Government Day participants. He added Youth in Government Day was created to welcome young people from the community into the structure of local government. He noted 15 students have participated in activities, discussions, and community planning events.

He invited the Youth in Government participants to introduce themselves and comment on what they have learned from their Youth in Government Day experience.

Jasmine Turner, Cooper High School, stated she learned about the importance of leadership.

Karen Etaytay, Park Center High School, stated she learned about the process of new development within the community.

Deborah Kamale, Champlin Park High School, stated she learned that serving the community is an important aspect of government. She added the government would not exist without serving the community.

Tamara Hussein, Champlin Park High School, stated she learned about public engagement in government.

Lee Tao, Mounds Park Academy, stated she learned that communication is important.

Saliha Ibrahim, Champlin Park High School, stated she learned that your opinion does matter.

Tiffan Nyamao, Osseo High School, stated she learned that community shapes how government works.

Caron Iteghete, Park Center High School, stated he learned about communication skills.

Emmanuel Ikebude, Osseo High School, stated he learned that teamwork is important in leadership to serve the community properly and for the good of the community.

Mayor Elliott thanked the young people for their comments. He added their voices matter, and their presence and opinions are greatly appreciated.

5. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

6. APPROVAL OF AGENDA AND CONSENT AGENDA

Councilmember Ryan moved, and Councilmember Graves seconded to approve the Agenda and Consent Agenda, as amended, with amendments to the Study Session minutes of June 24, 2019, 2019, and the following consent items were approved:

6a. APPROVAL OF MINUTES

1. July 8, 2019 – Study Session
2. July 8, 2019 – Regular Session
3. July 8, 2019 – Work Session

6b. LICENSES

GARBAGE HAULERS

Waste Management – Blaine	10050 Naples Street NE Blaine, MN 55434

MECHANICAL

AT Plumbing	15800 E Land Street NW Ramsey MN 55303
Bonfe's Plumbing Heating & Air Service, Inc.	455 Hardman Avenue South St. Paul MN 55075
Centraire Htg & A/C Inc.	6811 Washington Avenue S. Edina, MN 55439
Genz-Ryan Plumbing & Htg Co.	2200 W. Hwy 13 Burnsville MN 55337
Perfection Heating & Air Inc.	1770 Gervais Ave Maplewood, MN 55109
Peterson-Pinney	4151 Coon Rapids Blvd Coon Rapids MN 55433
Preventive Mechanical Service	1875 Buerkle Road White Bear Lake MN 55110
United Heating & A/C Inc.	1295 Hackamore Road Medina, MN 55340

RENTAL

INITIAL (TYPE IV – one-year license)

3012-3018 51st Avenue	Sri Lakshmi Valiveti
1107 57th Avenue N	Derik Bjorgo

5914 Fremont Avenue	Olaide Gbadmosi/Alaafi Homecare LLC
INITIAL (TYPE III – one-year license)	
6200 Brooklyn Boulevard	Hayder Albatushi
5443 Logan Avenue N	Alfred A'Shola Apata
INITIAL (TYPE II – two-year license)	
5837 Admiral Lane	Jeremy Long
6106 Aldrich Avenue N	Home SFR Borrower LLC/Haven Brook Homes
INITIAL (TYPE I – three-year license)	
5306 Knox Avenue N	Antonio Vizcarra Moreno
RENEWAL (TYPE IV – one-year license)	
1100 69th Avenue N	Evangelical Church of the Master
6725 Bryant Avenue N	Vong Duong (Plan not met CPTED Incomplete)
4714 Wingard Lane	Hee Yoon Kim
RENEWAL (TYPE III – one-year license)	
6915-25 Humboldt Avenue	Steven Scott Management
6618 Colfax Avenue N	Chandrawatie Khemraj
5420 Emerson Avenue N	Christopher Raisch
6437 Kyle Avenue N	Sheng Lee/United Hmong Investments
5301 Logan Avenue N	MNSF II LC
6925 Regent Avenue N	Travis Senefelder
RENEWAL (TYPE II – two-year license)	
1606 71st Avenue N	Gregory Lang
6436 June Avenue N	Jenny Pham
RENEWAL (TYPE I – three-year license)	
4700 Lakeview Avenue	Nancy Dahlquist
5556 Emerson Avenue N	John Reider
5900 Pearson Drive	Mary Tjosvold/Mary T Properties
7193 Unity Avenue N	Mary Turcotte

6c. RESOLUTION NO. 2019-099 AUTHORIZING THE TRANSFER OF $350,000 FROM THE EARLE BROWN HERITAGE CENTER OPERATING FUND TO THE EARLE BROWN HERITAGE CENTER CAPITAL FUND

6d. RESOLUTION NO. 2019-100 AUTHORIZING THE TRANSFER OF $325,487 FROM THE MUNICIPAL LIQUOR STORE FUND TO THE CAPITAL IMPROVEMENTS FUND

6e. RESOLUTION NO. 2019-101 SETTING THE DATE OF THE SALE OF $9,850,000 GENERAL OBLIGATION IMPROVEMENT AND UTILITY REVENUE BONDS, SERIES 2019-A TO FINANCE THE CONSTRUCTION OF INTERSTATE AREA IMPROVEMENTS AND BELLVUE /SOUTHEAST IMPROVEMENTS FOR AUGUST 12, 2019

6f. RESOLUTION NO. 2019-102 ACCEPTING WORK PERFORMED AND AUTHORIZING RELEASE OF FUNDS FOR CERTAIN FINANCIAL GUARANTEES BEING HELD BY THE CITY

Motion passed unanimously.

7. PRESENTATIONS/PROCLAMATIONS/RECOGNITIONS/DONATIONS

7a. YOUTH IN GOVERNMENT DAY

Mayor Elliott presented Certificates to the participants of Youth in Government Day. He thanked the young people for attending and urged them to continue to stay active and engaged in local government.

7b. HENNEPIN COUNTY COURTS

City Manager Curt Boganey introduced Chief Judge Ivy Bernhardson, Fourth Judicial District, and invited her to address the City Council.

Judge Bernhardson gave a review of the work of Hennepin County Courts. She added the Judicial Branch is a separate branch of the government, and suburban jurisdictions are important members of the County.

Judge Bernhardson stated Hennepin County has 22% of the population of the State of Minnesota, but 40% of the judicial filings and 88% of all cases are criminal. Other operations include civil division cases, family, juvenile, and probate/mental health cases. There were 942 jury trials requested in 2018, with 26,572 citizens of Hennepin County called as jurors.

Judge Bernhardson stated Hennepin County Courts had made advancements in technology that have increased operations efficiency. Texting and emailing reminders of court hearings has reduced "failure to appear" by 30%. She added there had been an increase in addiction and mental health cases, as well as felony filings. She noted 80% of revenue from fines goes back to municipalities, and in 2019, Brooklyn Center received $228,000 from Hennepin County Courts.

Mayor Elliott thanked Judge Bernhardson for her presentation. He added the City Council had received information from the Police Department regarding embedded mental health co-responders, which is representative of new and innovative ways to deal with mental illness cases.

Councilmember Butler stated she did jury duty last summer, and it was a great experience. She added the judge thoroughly explained the process to the jury, and treated jurors and attorneys fairly. Judge Bernhardson stated she is pleased that the experience was positive.

Councilmember Graves asked whether there is data regarding judicial staff and judges of color within the Fourth Judicial District. Judge Bernhardson stated she does not have specific numbers, but the District has an internally focused race equity plan to attract and develop a diverse array of judicial candidates. She added, of the 63 judges, there are 8 African American, 7 Hispanic, 2 Asian, 1 Native American, and the rest are randomly white.

Councilmember Graves asked about the "pre-trial scale" that is race and gender-neutral. Judge Bernhardson stated a Hennepin County researcher developed the pre-trial tool in 1992, and it is currently used by every jurisdiction in the State of Minnesota. She added this evaluation tool is used to determine whether individuals are at risk to re-offend if they are released and whether bail is required. She noted the evaluation tool is reviewed periodically to ensure that it remains race and gender-neutral.

Councilmember Graves asked whether the Fourth District Court works with units like juvenile detention, domestic violence, and child protection to address and overcome challenges. Judge Bernhardson stated one successful tool had been Juvenile Warrant Resolution Day, which the District Court has held for the past 5-6 years, which has cut the number of juveniles in detention by half.

Mayor Elliott stated he participated in the Minnesota Supreme Court's "Justice For All" Committee. He asked whether there are ways in which the District focuses on restorative justice. Judge Bernhardson stated Hennepin County tries to ensure that people do not remain in custody unless absolutely necessary. She added texts and emails reminding people about court dates has been successful, and a warrant hotline is being tested that will make it easier for people to set up a court date.

Mayor Elliott thanked Judge Bernhardson for her presentation.

7c. BROOKLYNK PROGRAM UPDATE

Breanne Rothstein, Economic Development and Housing Director for the City of Brooklyn Park, gave a presentation on the Brooklynk Program and its 2020 budget. She added Brooklynk interns were placed in internships for summer 2019, in corporations, positions within the School District, local corporations, professional services, and property management. She noted Brooklynk staff provide an annual review of the program and budget as required by the Brooklynk Cooperative Agreement between Brooklyn Park and Brooklyn Center.

Ms. Rothstein stated Brooklynk, a youth employment program directed by Brooklyn Center and Brooklyn Park, represents youth who experience barriers to employment. She added Brooklynk alumni are very active in volunteering as well as providing training and support for interns. She noted Brooklynk Staff is excited to welcome alumni back as paid trainers and staff.

Ms. Rothstein stated Brooklynk's "Get Ready!" work readiness training program had 220 participants, 20 trainers, and Brooklynk alumni, and hosted a job fair with 24 employers. She added 117 interns were placed with 20 different employers, and three new employers were secured in 2019. She noted more and more local businesses are interested in hiring Brooklynk interns as the program grows.

Ms. Rothstein stated the Brooklynk program secured a new grant through DEED, Brooklynk staff are working on a supervisor training program, and a full-time Program Manager was added to the staff, responsible for grants management, employer engagement, and fundraising opportunities. She noted there had been a lot of attention directed at this type of work at the State level, and Brooklynk staff hopes to leverage that for the program.

Ms. Rothstein stated 2020 expenditures were $355,000, with half of the budget coming from grants. She added Brooklynk is proposing that Brooklyn Center contribute $55,000, which is the same amount that was contributed for the 2018 program.

Emmanuel Ekabude, a Youth in Government participant, stated a few of the young people who participated are part of the Brooklynk program. He added he appreciates having had a chance to be a part of the program. He noted the program provided the opportunity to gain work experience, explore careers, have an income, and gain independence.

Ms. Rothstein encouraged the students to stay involved and connected to Brooklynk and become engaged as an alumni member. She added program staff is available to provide information and answer questions.

Councilmember Lawrence-Anderson asked, by a show of hands, which of the youth have participated in the Brooklynk program. All the students that were present raised their hands.

7d. SNOW EVENT PARKING REVIEW

Police Chief Tim Gannon gave a review of the City's snow event parking policy, which enhances City Staff's ability to handle and remove snow and improve public safety. The policy, approved by the City Council in November 2018, requires that all vehicles be removed from roadways when a snow event is declared, for the duration of the event. A snow event is 2.5 inches or more of snow.

Chief Gannon stated the City Council requested that City Staff ensure that a robust communication plan is instituted, so residents are aware of the parking situation during snow events. He reviewed police activity from December 2018-March 2019, including 156 citations and 124 towed vehicles. The snow event parking policy prevented 180 vehicles from being towed due to proactive communication measures.

Chief Gannon stated the City of Brooklyn Park initiated a similar program in 2018. He added the number of citations and tows was higher in Brooklyn Park, although it is a larger city.

Chief Gannon stated one reason for the success of the program is coordination between the Police Department, the Public Works Department, and the City's Communication Director.

Advance notice for tow companies was effective, and "knock and talk" visits to residents before enforcement action was effective and cost-efficient.

Chief Gannon stated additional office staff for vehicle releases was not necessary, and plowing was more efficient when streets were free of cars. He added he feels confident that the program has been developed and implemented based on the goals of the City Council.

Mayor Elliott thanked the Chief for his presentation.

Councilmember Butler stated she agrees with Councilmember Ryan's comments. She added she initially voted against this program, but she now appreciates that residents are given a chance to move their car. He thanked Chief Gannon for the extra work that went into developing the program.

Councilmember Graves stated the program is well-executed, and the "knock and talk" efforts are helpful. She asked whether there is a map showing the areas where tows were done. Chief Gannon agreed to provide a map with citations mapped out.

Councilmember Lawrence-Anderson stated she is pleased with the program and feels that it was well-executed for its first year.

Saliha Ibrahim, a Youth in Government participant, asked whether residents can get a text notification when their car is towed. Chief Gannon stated residents could sign up for City notifications via text or email for City notifications. He added more information is available on the City's website.

Councilmember Graves stated hand-out cards could be prepared with information about how to sign up for email and text notifications. She added the information could also be included in the citation.

Councilmember Ryan stated this issue could be discussed further at a Work Session.

Mr. Boganey thanked Chief Gannon and the entire team that worked with the Police Department on this issue. He added this is a great example of City Staff paying special attention to top priorities and keeping the needs of residents at the forefront when developing policies. He stressed the importance of ensuring that focus is on the primary goal of clear, plowable streets.

8. PUBLIC HEARINGS

8a. ORDINANCE AND RESOLUTIONS REGARDING PLANNING COMMISSION APPLICATION 2019-008, EASTBROOK ESTATES

(i) PUD/Rezoning (2nd Reading) and Easement Vacation

Ms. Beekman reviewed a Planned Unit Development (PUD)/rezoning (2nd reading) and Easement Vacation for Eastbrook Estates 2nd Addition, an application from Centra Homes to

develop property south of 69th Avenue N and west of Highway 252. The property is guided for low-density use.

Ms. Beekman stated the Economic Development Authority (EDA) approved the development of homes, roads, utilities, and ponding on EDA-owned property in 2018. On July 24, 2019, the City Council approved the Preliminary Final Plat as well as the PUD, which is a rezoning of the property, and a public hearing is required.

Ms. Beekman stated the property would be rezoned to PUD R1, with other easement vacations related to Eastbrook Estates. She added this development falls within the goals of the 2040 Comprehensive Plan, which identifies a need for diverse housing options. She noted the proposed 3 and 4-bedroom homes would be a mix of two-story and multi-level with an average sale price of $332,000.

Ms. Beekman stated the revised final plat would include the addition of Lots 13 and 14, as well as absorption of Outlot B into Lot 14, and Outlot A into lots 4 and 5. She added the development agreement regulates development rights to the site, and sets up a special taxing district of properties within the subdivision. This will allow for a special assessment of costs associated with the maintenance of a stormwater pond and includes covenants for management and maintenance of the pond to be attached to the deeds of the properties. She noted stormwater treatment features, including an iron-infused filtration basin, will improve stormwater quality downstream.

Ms. Beekman stated Centra Homes has indicated that maintenance of the stormwater pond generally falls under the Public Works Department. She added this type of maintenance is not included in Brooklyn Center's current programming, and the City does not have staffing capacity. She noted Centra had requested the City Council's discussion and determination on this issue. She reiterated City Staff feels strongly that day-to-day stormwater maintenance should not be City's responsibility.

Councilmember Lawrence-Anderson requested clarification regarding the motion related to stormwater maintenance. Ms. Beekman stated the resolution is written in such a way that City Staff can continue to negotiate that issue.

Mayor Elliott requested clarification and guidance from Public Works Director Doran Cote.

Public Works Director Doran Cote stated this situation is unique to the community as stormwater requirements were not in place when City was developed. He added stormwater ponds become the responsibility of a homeowner's association, to collect assessments and handle maintenance. He noted, in this case, the property owners on two of the lots will have an expectation of how the pond will need to be maintained, and a drainage and utility easement will be located on their property. He stated City Staff finds this an acceptable solution.

Councilmember Graves asked how much work this type of stormwater maintenance requires. Mr. Cote stated the area would require maintenance such as mowing and pulling weeds, but the City could step in if significant maintenance is required.

Councilmember Graves asked whether the addition of the outlots adds to the property values of the lots where they are located. Mr. Cote stated he is unsure, although in his experience ponds and water features are considered an amenity.

Councilmember Ryan asked whether homeowners would be assessed if the pond requires significant maintenance, or if the City would absorb the cost. Mr. Cote stated, through the Special Taxing District, the City Council could assess residents of the development. He added the stormwater pond serves this neighborhood and not the community as a whole.

Mayor Elliott asked whether there would be any implications for taxing all 30 lots for the stormwater maintenance costs. City Attorney Troy Gilchrist stated stormwater districts are set up specifically to serve an identifiable area that is draining into a stormwater pond or ponds. He added the City Council would review an Ordinance to establish this taxing district to address stormwater issues. He added many communities use this approach as it avoids legal complications that accompany special assessments.

The applicant, representing Centra Homes, requested direction from the City Council on this issue. He added Centra's experience in working with developing communities has been that the City takes on stormwater maintenance as part of public infrastructure for the stormwater system. He expressed concern that making homeowners responsible for long-term stormwater maintenance is problematic as they will not remember, and new owners will not be informed when homes are sold.

The applicant stated the cost of installing the stormwater pond is approximately $5,000, and the cost of maintenance is very low. He added it is generally understood that if an association is established for a stormwater pond, the City will get involved at some point in the future anyway.

Mr. Boganey stated, in his experience, stormwater ponds in residential neighborhoods are views as an amenity, and residents expect it to be maintained to amenity standards. He added property owners would not be satisfied with the level of maintenance that the City would provide for a stormwater pond. He asked the applicant about annual upkeep and maintenance requirements.

The applicant stated the pond would need maintenance every 2-3 years. He added the developer would provide a maintenance schedule and help with education and requirements.

Councilmember Graves moved, and Councilmember Ryan seconded to open the Public Hearing.

Motion passed unanimously.

No one appeared to address this item.

Councilmember Lawrence-Anderson moved, and Councilmember Butler seconded to close the Public Hearing.

Motion passed unanimously.

Mr. Gilchrist stated, in his experience, this situation is generally set up similar to what is being recommended by City Staff. He added he could not recall a situation when a City was asked to take a pond on Day 1. He noted a decision does not obligate the City Council but rather makes it clear that City Staff will not maintain the pond from the outset.

Councilmember Graves moved, and Councilmember Butler seconded to adopt RESOLUTION NO. 2019-103 Vacating Certain Easements Associated with the Eastbrook Estates Site Redevelopment, in Connection with the Proposed Final Plat of Eastbrook Estates 2nd Addition.

Motion passed unanimously.

Councilmember Graves moved, and Councilmember Lawrence-Anderson seconded to approve Second reading and adopt ORDINANCE NO. 2019-05 Amending Chapter 35 of the City Code of Ordinances regarding the zoning classification of land generally located west of Highway 252, south of 69th Avenue North, north of 68th Avenue North, and east of Aldrich Avenue North.

Motion passed unanimously.

(ii) Revised Final Plat

Councilmember Ryan moved, and Councilmember Lawrence-Anderson seconded to adopt RESOLUTION NO. 2019-104 Approving the Revised Final Plat for Eastbrook Estates 2nd Addition.

Motion passed unanimously.

(iii) Development Agreement

Councilmember Graves moved, and Councilmember Ryan seconded to adopt RESOLUTION NO. 2019-105 Approving a Development Agreement with Centra Homes Relating to the Development of Eastbrook Estates 2nd Addition.

Motion passed unanimously.

9. PLANNING COMMISSION ITEMS

9a. RESOLUTION NO. 2019-106 REGARDING THE RECOMMENDED DISPOSITION OF THE PLANNING COMMISSION APPLICATION NO. 2019-013 FOR A SITE AND BUILDING PLAN APPROVAL (LOCATED AT 6700 SHINGLE CREEK PARKWAY)

Ms. Beekman reviewed a request for site and building plan approval from Medtronic for an addition to their facility at 6700 Shingle Creek Parkway. The applicant, Alliance on behalf of Medtronic, provided a site line study showing Medtronic's facility and addition about a nearby apartment building.

Ms. Beekman stated City Staff requested a noise study, which showed that projected daytime and nighttime noise levels fall within standards for noise in residential districts, per Minnesota Pollution Control Agency (PCA) requirements. She added the City Engineer reviewed the application and found it to comply with erosion control requirements, protections for existing utilities and easements, and Building and Fire Code requirements.

Ms. Beekman stated the Planning Commission voted unanimously to support the application at their July 11, 2019 meeting. She added Ross Naylor, representing Alliance, was present to answer questions, and City Staff recommends approval of the site and building plan request.

Councilmember Graves asked whether any contaminants will be removed from the facility as part of the building plan. Mr. Naylor stated large pieces of equipment would be dismantled, but normal removal procedures will be followed as part of a separate project. He added the cooling system is water-based so no exhaust or chemicals will be released.

Mayor Elliott requested clarification regarding the proposed facility. Rochelle Danielsen, representing Medtronic, stated the Brooklyn Center South building builds batteries to be shipped to device facilities throughout the world. She added the new equipment that will be installed would be more efficient, have better capacity, and a reduction in the use of utilities.

Mayor Elliott asked how many employees are employed currently at the site. Ms. Danielsen stated there are approximately 1,000 on the Brooklyn Center South site.

Councilmember Lawrence-Anderson stated she is happy that Medtronic is a part of the Brooklyn Center business community. She added she supports anything that can be done to support local businesses.

Councilmember Graves asked whether Medtronic employs Brooklynk Interns. Ms. Danielson stated she is unsure whether Medtronic is involved in that program. Ms. Graves stated Medtronic would be a welcome partner in the Brooklynk program, employing youth interns from the community.

Mr. Boganey agreed to follow up on that, adding Medtronic is on the list of employers that City Staff plans to contact.

Councilmember Ryan stated he agrees with the comments of Councilmember Lawrence-Anderson, adding he is pleased to have a significant employer like Medtronic within the community.

Councilmember Ryan moved, and Councilmember Lawrence-Anderson seconded to adopt RESOLUTION NO. 2019-106 Regarding the Recommended Disposition of Planning Commission Application No. 2019-013 for a Site and Building Plan Approval (Located at 6700 Shingle Creek Parkway).

Motion passed unanimously.

9b. RESOLUTION NO. 2019-107 REGARDING THE RECOMMENDED DISPOSITION OF THE PLANNING APPLICATION NO. 2019-012 FOR PRELIMINARY AND FINAL PLAT APPROVAL OF THE EMERSON EDA ADDITION (LOCATED AT 5355 AND 5357 EMERSON AVENUE NORTH)

Ms. Beekman reviewed a preliminary and final plat for Emerson EDA Addition, with applicant Brett Angell on behalf of the Economic Development Authority (EDA). She added two EDA-owned parcels are requested to be consolidated into a single parcel. She noted the lot sizes are deficient for City zoning and platting requirements, as they are 40 and 44 feet wide. The two lots combined to meet the requirements for a 1-family property, but not a 2-family property under Zoning requirements and are in line with the City's 2040 Comprehensive Plan and provision of new move-up housing stock.

Ms. Beekman stated a requirement of the Request for Proposals (RFP) is that the new home is owner-occupied. The Planning Commission held a public hearing on this case on July 11, 2019, and voted unanimously to recommend the preliminary and final plat for Emerson EDA Addition.

Councilmember Lawrence-Anderson stated the EDA purchased 5355 Emerson Avenue for $26,000. She asked what the purchase price was for the other property.

Brett Angell, representing the EDA, stated 5357 Emerson was purchased for approximately $45,000. He added a home on the property was damaged by a fire, and the City abated the property.

Councilmember Graves moved, and Councilmember Ryan seconded to adopt RESOLUTION NO. 2019-107 Regarding the Recommended Disposition of the Planning Application No. 2019-012 for Preliminary and Final Plat Approval of the Emerson EDA Addition (Located At 5355 And 5357 Emerson Avenue North).

Motion passed unanimously.

9c. RESOLUTION NO. 2019-108 REGARDING THE RECOMMENDED DISPOSITION OF THE PLANNING APPLICATION NO. 2019-010, FOR REZONING, SPECIAL USE PERMIT, AND SITE & BUILDING PLAN APPROVAL (LOCATED AT 5300 DUPONT AVENUE NORTH)

Ms. Beekman reviewed a request for rezoning, Special Use Permit, and Site and Building Plan approval for Christy's Auto Service, 5300 Dupont Avenue N. The applicants, Lori, and James Dean, want to expand their existing auto service center to add office space, a new bathroom, and indoor storage. The property is currently zoned Residential and must be rezoned to accommodate the addition.

Ms. Beekman stated the business has operated for over 75 years as an auto repair shop in the Bellevue neighborhood. She added the Planning Commission held a public hearing on July 11, 2019, for which notices were sent to nearby properties. She noted the original notice was to

rezone the property to C1, but it has been decided that C2 is more appropriate and a Special Use Permit is required.

Ms. Beekman stated the property was zoned Commercial in the City's last two Comprehensive Plans, but on the 1972 zoning map, the property is zoned R2. City Staff was unable to determine the conditions under which rezoning occurred.

Ms. Beekman stated City staff feels that continued operation of the auto repair shop will be a benefit for the neighborhood, especially with expanded storage, and the proposed addition would not extend outside the existing building size. Conditions of approval include a requirement for a fire sprinkler system and ADA-compliant parking spaces.

Ms. Beekman stated an adjacent homeowner had concerns about conditions on the site, drainage from the site, and bright lights shining onto their property. There was a discussion at the Planning Commission meeting regarding whether these issues could be mitigated during construction and renovation.

Ms. Beekman stated City Staff recommends amendments to the Resolution, including installation of gutters, replacement of the chain link fence to opaque fencing, and replacement of nonconforming light fixtures. She added the applicants have agreed to work with adjacent neighbors and City Staff to address areas of concern.

Mayor Elliott welcomed the applicants, James and Lori Dean, and invited them to address the City Council.

Mr. Dean stated he and his wife are proud of their establishment and take care of their property. He added they want it to stay in good shape and continue to improve for customers and employees, as well as the community.

Councilmember Ryan stated the Deans had made significant aesthetic improvements to the site since they took it over. He added a small business operation like Christy's serves a real need within the neighborhood as well as the community. He noted he hopes the City Council will act favorably to support Christy's Auto Service.

Councilmember Lawrence-Anderson stated she supports this request and recognition for Christy's Auto Service. She added she met the applicants through the Brooklyn Center Business Association. She noted anything the City Council can do to help local businesses will always have her support.

Mayor Elliott stated Christy's had become a landmark for him as he lives in the neighborhood, and it is an important neighborhood amenity. He added the City does not have enough of those types of businesses.

Ms. Dean thanked the City Council for their kind words and support. She added it has always been their dream to be able to own their business, and she and her husband hope to increase and expand their operations while continuing to be good neighbors within the community.

Councilmember Graves moved, and Councilmember Lawrence-Anderson seconded to adopt RESOLUTION NO. 2019-108 to approve Planning Commission Application No. 2019-010 for Rezoning, Special Use Permit, and Site & Building Plan Approval for the Subject Property Located at 5300 Dupont Avenue North, based on the Findings of Fact and Submitted Plans, as Amended by the Conditions of Approval in the Resolution.

Motion passed unanimously.

Councilmember Lawrence-Anderson moved, and Councilmember Ryan seconded to approve First Reading of Ordinance Amending Chapter 35 of the Zoning Code of Ordinances Regarding the Zoning Classification of 5300 Dupont Avenue North and Set the Second Reading and Public Hearing for August 12, 2019.

Motion passed unanimously.

10. COUNCIL CONSIDERATION ITEMS

10a. FIRST READING OF AN ORDINANCE AUTHORIZING A STUDY AND PLACING A MORATORIUM ON DEVELOPMENT OF PROPERTIES WITHIN THE OPPORTUNITY SITE

Ms. Beekman reviewed a proposed study and moratorium related to properties within the Opportunity Site. She stated work was begun in early 2019 to update the Opportunity Site Master Plan, an area approximately 81 acres in size. She added land use guidance for the area is Transit-Oriented Development (TOD) and Commercial Mixed Use. She noted a Master Plan and framework are being developed, and anticipated uses include housing, recreation, a mix of retail and commercial uses.

Ms. Beekman stated the interim moratorium would allow time to complete the Master Plan and adopt regulatory changes. She added a public hearing second reading had been scheduled for August 12, 2019, and notification would be mailed to property owners that are affected by the moratorium.

Ms. Beekman stated the moratorium would be no more than 12 months as specified by State Statute. She added the City Council has the authority to lift the moratorium before that time. She noted City Staff recommends City Council approval of the First Reading, authorizing the study and placing the moratorium.

Mayor Elliott asked when the notice will be sent to property owners. Ms. Beekman stated notice would be sent this week, as the State Statute notice requirement for public hearings is ten days.

Councilmember Graves moved, and Councilmember Ryan seconded to approve First Reading of Ordinance Authorizing a Study and Placing a Moratorium on the Development of Properties Located within the Opportunity Site and Calling for a Public Hearing and Second Reading to Occur on August 12, 2019.

Motion passed unanimously.

11. COUNCIL REPORT

The City Council agreed to forego their Reports in the interests of time.

12. ADJOURNMENT

Councilmember Graves moved, and Councilmember Ryan seconded adjournment of the City Council meeting at 10:07 p.m.

Motion passed unanimously.

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL/ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF BROOKLYN CENTER IN THE COUNTY OF HENNEPIN AND THE STATE OF MINNESOTA

WORK SESSION
JULY 22, 2019
CITY HALL – COUNCIL CHAMBERS

CALL TO ORDER

The Brooklyn Center City Council/Economic Development Authority (EDA) met in Work Session called to order by Mayor/President Mike Elliott at 10:30 p.m.

ROLL CALL

Mayor/President Mike Elliott and Councilmembers/Commissioners Marquita Butler, April Graves, Kris Lawrence-Anderson, and Dan Ryan. Also present were City Manager Curt Boganey, Deputy City Manager Reggie Edwards, Director of Fiscal & Support Services Nate Reinhardt, Director of Public Works Doran Cote, Community Development Director Meg Beekman, Business and WorkForce Development Coordinator Brett Angell, City Attorney Troy Gilchrist, and Mary Mullen, TimeSaver Off Site Secretarial, Inc.

DISCUSSION OF AGENDA ITEMS

City Manager Curt Boganey stated he would like to add a fourth item to the Work Session Agenda, to discuss a potential City Council/City Staff trip to Charlotte, North Carolina.

Councilmember/Commissioner Graves asked whether any Work Session items could be tabled due to the late hour.

Community Development Director Meg Beekman stated, regarding Agenda Item 1, Zoning Code Task Force Charter Discussion, the Task Force members have been informed that this would be discussed by the City Council/EDA at this meeting. She added the Zoning Code Task Force Charter is a work plan that has been provided by consultants to move forward with implementation of Zoning Code amendments.

Ms. Beekman stated, regarding Agenda Item 2, Opportunity Site Community Engagement, she has met with community organizations, and a kick-off group meeting is scheduled in two weeks. She requested the City Council/EDA's feedback and comments regarding the formation of a community-based steering committee. She noted no other action is necessary.

Councilmember/Commissioner Lawrence-Anderson asked whether the kick-off meeting could be pushed out to three weeks, to allow for City Council/EDA discussion on this issue at the next meeting.

Mr. Boganey agreed, adding there are no hard deadlines.

CITY COUNCIL/EDA RETREAT

Mr. Boganey stated Councilmember/Commissioner Butler has indicated that she is unable to attend either the City Council/EDA retreat dates of August 30-31, 2019 or alternative dates of September 20-21, 2019 that were agreed upon by the City Council/EDA. He requested City Council/EDA discussion regarding new dates and alternative dates. He noted the retreat facilitator had recommended a 6-hour session on Friday and a morning session on Saturday that would end by noon.

It was the majority consensus of the City Council/EDA to hold the City Council/EDA retreat on August 16-17, 2019 from 12:00 – 6:00 p.m. on Friday and 9:00 a.m. – noon or 1:00 p.m. on Saturday.

POTENTIAL CITY COUNCIL/EDA/CITY STAFF VISIT TO CHARLOTTE, NC

Mr. Boganey stated Bob Lux of Alatus, developer of the Opportunity Site, is trying to plan an exploratory visit to the U.S. National Whitewater Center in Charlotte, North Carolina. He added Mr. Lux is considering whether a similar facility would be feasible on the Opportunity Site, and whether to include it in the proposal. He noted Mr. Lux has been in communication with the non-profit agency that manages the facility.

Mr. Boganey stated the developer intends to visit the facility on August 2 or 3, 2019, and the facility management company has invited the City Council/EDA as well. Mr. Boganey recommended that the Economic Development Authority (EDA) should see the facility, which might be a very meaningful amenity in Brooklyn Center in terms of impact and value.

Mr. Boganey stated the developer is in the early stages of determining financial feasibility. He added City Staff is available to visit the site, and if the City Council/EDA cannot attend, another possible visit can be scheduled.

Councilmember/Commissioner Lawrence-Anderson stated she supports having Mr. Boganey and Ms. Beekman go to Charlotte and vet the facility, which is a more viable and affordable option that the City Council/EDA is going as well. She added City Staff could take lots of photos and provide a recommendation to the City Council/EDA based upon their visit.

Mr. Boganey agreed but added he would recommend that the City Council/EDA should visit the facility before a final decision is made.

Councilmember/Commissioner Ryan stated he supports the idea of visiting the center. He added this is an important, exciting opportunity and could be another destination venue like TopGolf.

Councilmember/Commissioner Graves stated she supports a City Staff visit to the facility, and also if any other Councilmember/Commissioner wants to go. She added another trip could be planned.

Mayor/President Elliott requested that City Staff provide some information regarding the costs associated with a visit to the facility.

ADJOURNMENT

The City Council/Economic Development Authority Work Session was adjourned at 10:50 p.m.

COUNCIL ITEM MEMORANDUM

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: N/A

FROM: Alix Bentrud, Deputy City Clerk

SUBJECT: Approval of Licenses

Requested Council Action:

- *Motion to approve licenses as presented.*

Background:

The following businesses/persons have applied for City licenses as noted. Each business/person has fulfilled the requirements of the City Ordinance governing respective licenses, submitted appropriate applications, and paid proper fees. Applicants for rental dwelling licenses are in compliance with Chapter 12 of the City Code of Ordinances, unless comments are noted below the property address on the attached rental report.

GARBAGE HAULERS

Dick's Sanitation	8984 215th Street West Lakeville MN 55044

MECHANICAL LICENSES

Air Express, Inc	1010 118th Ave NE, Blaine, 55434
All Climate Mechanical	7944 University Ave NE, Fridley, 55432
Armstrong Plumbing LLC	1327 2nd Ave, Newport, 55055
Centraire Htg & A/C, Inc.	6811 Washington Ave S, Edina, 55439
Comfort Matters Htg & Cooling, Inc	18071 Territorial Rd, Maple Grove, 55369
Elander Mechanical Inc	645 Shenandoah Dr., Shakopee, 55379
GV Heating and Air	5182 West Broadway, Crystal, 55429

TEMPORARY GAMBLING LICENSE

MN Trucking Association Sept. 16	6420 Camden Ave N Brooklyn Center, 55430
Church of St. Alphonsus Sept. 27-29	7025 Halifax Ave N Brooklyn Center, 55430

Strategic Priorities and Values:

Safe, Secure, Stable Community

ATTACHMENTS:

Description	Upload Date	Type
Rental Criteria	5/22/2019	Backup Material
8-12-19 Rentals	8/7/2019	Backup Material

Property Code and Nuisance Violations Criteria		
License Category (Based on Property Code Only)	**Number of Units**	**Property Code Violations per Inspected Unit**
Type I – 3 Year	1-2 units	0-2
	3+ units	0-0.75
Type II – 2 Year	1-2 units	Greater than 2 but not more than 5
	3+ units	Greater than 0.75 but not more than 1.5
Type III – 1 Year	1-2 units	Greater than 5 but not more than 9
	3+ units	Greater than 1.5 but not more than 3
Type IV – 6 Months	1-2 units	Greater than 9
	3+ units	Greater than 3

b. Police Service Calls.

Police call rates will be based on the average number of valid police calls per unit per year. Police incidences for purposes of determining licensing categories shall include disorderly activities and nuisances as defined in Section 12-911, and events categorized as Part I crimes in the Uniform Crime Reporting System including homicide, rape, robbery, aggravated assault, burglary, theft, auto theft and arson.

Calls will not be counted for purposes of determining licensing categories where the victim and suspect are "Family or household members" as defined in the Domestic Abuse Act, Minnesota Statutes, Section 518B.01, Subd. 2 (b) and where there is a report of "Domestic Abuse" as defined in the Domestic Abuse Act, Minnesota Statutes, Section 518B.01, Subd. 2 (a).

License Category	**Number of Units**	**Validated Calls for Disorderly Conduct Service & Part I Crimes** (Calls Per Unit/Year)
No Category Impact	1-2	0-1
	3-4 units	0-0.25
	5 or more units	0-0.35
Decrease 1 Category	1-2	Greater than 1 but not more than 3
	3-4 units	Greater than 0.25 but not more than 1
	5 or more units	Greater than 0.35 but not more than 0.50
Decrease 2 Categories	1-2	Greater than 3
	3-4 units	Greater than 1
	5 or more units	Greater than 0.50

Rental Licenses for Council Approval on August 12, 2019								
Property Address	Dwelling Type	Renewal or Initial	Owner	Property Code Violations	License Type	PoliceCFS *	Final License Type **	Previous License Type ***
1302, 1308 69th Ave N Carrington Dr Apts	Multi 4 Bldg 127units	Initial	Steve Plotz	228 1.8 per unit	III	N/A	III	
5139 France Ave N	Two Family 1 unit	Initial	Gregory Scarth Roelle Jr	2	I	N/A	I	
1340 68th La N	Single	Initial	Jin Li	0	I	N/A	I	
6725 Colfax Ave N	Single	Initial	Nancy Yang /Kayo Investments	6	III	N/A	III	
5827 Ewing Ave N	Single	Initial	Juan Carlos Quito Villa	8	III	N/A	III	
1300 67th Ave N Brookside Manor	Multi 5 Bldg 90 Units	Renewal	Roger & Elizabeth Family Properties LLC	444 4.9 per unit	IV	4 Valid .04 per unit 11/10/18 Burglary 11/25/18 Auto theft 3/2/19 Theft 7/16/19 Auto Theft	IV	II
6511 Humboldt Ave N The Pines	Multi 2Bldg 102 Units	Renewal	The Pines North LLC	96 .9 per unit	II	18 Valid .18 per unit 11/12/18 Theft 11/30/18 Burglary 12/24/18 Disurbance 12/30/18 Disturbance 2/6/10 Auto Theft 2/22/19 Theft 3/21/19 Auto Theft 4/8/19 Auto Theft 4/9/19 Theft 4/12/19 Auto Theft 4/20/19 Disturbance 5/20/19 Vandalism 5/24/19 Disturbance 6/3/19 Theft 6/5/19 Vandalism 6/7/19 Theft 7/30/19 Arson 8/3/19 Burglary	II	I

Rental Licenses for Council Approval on August 12, 2019								
Property Address	Dwelling Type	Renewal or Initial	Owner	Property Code Violations	License Type	PoliceCFS *	Final License Type **	Previous License Type ***
6807 Humboldt Ave N Humboldt Court	Multi 3 Bldg 36 Units	Renewal	Mindy Jane Brummer	62 1.7 per unit	III	9 Valid .25 per unit 12/5/18 Auto Theft 12/9/18 Vandalism 12/14/18 Auto Theft 1/14/19 Disturbance 1/21/19 Auto Theft 1/28/19 Auto Theft 4/27/19 Theft 6/7/19 Auto Theft 7/5/19 Vandalism	III	II
4216 Lakebreeze Ave	Multi 1 Bldg 4 units	Renewal	Daniel Tan	13 3.25 per unit	IV	1 valid .25 per unit 9/18/18 disturbing peace	IV	III
5800, 5830 Logan Ave N The Lilacs	Multi 2 Bldg 22 Units	Renewal	Farnaz Toussi	25 1.1 per unit	II	0	II	I
3906 52nd Ave N	Single	Renewal	Randy Hammond	0	I	0	I	II
2012 55th Ave N	Single	Renewal	IH3 Property Illinois LP	11	IV	0	IV	II
3912 61st Ave N	Single	Renwal	Nazeen Khatoon	7	III	0	III	III
4212 61st Ave N	Singke	Renewal	John Hostetler	1	I	0	I	III
2918 65th Ave B	Single	Renewal	Hong Yang	0	I	0	I	III
4013 65th Ave N	Single	Renewal	Gao Qiang Liu / Sam Yen Liew	1	I	0	I	II
5043 Brooklyn Blvd	Single	Renewal	THR Property Illinois	0	I	0	I	II
6600 Dupont	Single	Renewal	Thomas Lee	10	IV	0	IV	I
5715 Emerson Ave N	Single	Renewal	My Truang	5	II	0	II	IV
2012 Ericon Dr	Single	Renewal	Kristina Coryell	9	III	0	III	II
6007 Girard Ave N	Single	Renewal	Ben Cleve Dosssman IV	11	IV	0	IV	I
5631 Hillsview Rd	Single	Renewal	Kent LeFevre	6	III	0	III	II
5636 Humboldt Ave N	Single	Renewal	Gao Qiang Liu / Sam Yen Liew	5	II	0	II	II
4207 Lakeside #320	Single	Renewal	Heinz Pollinger	2	I	0	I	I
5642 Logan Ave N	Single	Renewal	MNSF II W1 LLC	11	IV	0	IV	IV
7006 Morgan Ave N	Single	Renewal	Heshem Abdel Hakim	17	IV	0	IV	III
7224 Noble Ave N	Single	Renewal	Quoe Ai Nguyen	5	II	0	II	III
6400 Unity Ave N	Single	Renewal	Michelle Vue	9	III	0	III	II
801 Woodbine La	Single	Renewal	Mai Yia Chang	4	II	0	II	I

Rental Licenses for Council Approval on August 12, 2019								
Property Address	Dwelling Type	Renewal or Initial	Owner	Property Code Violations	License Type	PoliceCFS *	Final License Type **	Previous License Type ***
6101 Xerxes Ave N	Single	Renewal	Govan Singh	11	IV	0	IV	IV

* CFS = Calls For Service for Renewal Licenses Only (Initial Licenses are not applicable to calls for service and will be listed N/A.)

** License Type Being Issued

*** Initial licenses will not sho\ Type 1 = 3 Year Type II = 2 Year Type III = 1 Year

All properties are current on City utilities and property taxes

COUNCIL ITEM MEMORANDUM

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: Dr. Reggie Edwards, Deputy City Manager

FROM: Barb Suciu, City Clerk

SUBJECT: An Ordinance Amending Chapter 7 Section 7.10 of the Brooklyn Center City Charter

Requested Council Action:

- Approve the first reading and setting the second reading and public hearing for September 9, 2019, for an Ordinance Amending Chapter 7.10 of the Brooklyn Center Home Rule Charter

Background:

At its July 18, 2019, Charter Commission meeting, an amendment was approved regarding Chapter 7, Section 10 of the Brooklyn Center Home Rule Charter Commission.

The amendment reflects how disbursements from the City are made. The proposed amendments remove the word "check", and replaces it with payment or disbursement. Not all payments from the City are in check form so this amendment will reflect actual processes.

Attached is an ordinance amending the City Charter for Council consideration.

Budget Issues:

No budget impact at this time.

Strategic Priorities and Values:

Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
Charter Information	8/7/2019	Backup Material
Ordinance	8/8/2019	Backup Material

BROOKLYN CENTER HOME RULE CHARTER COMMISSION

July 28th, 2019

Curt Boganey
City Manager
City of Brooklyn Center
6301 Shingle Creek Pkwy.
Brooklyn Center, MN 55430

Re: Transmittal of Recommended Amendments to the City Charter

Dear Mr. Boganey:

The purpose of this letter is to transmit to the Brooklyn Center City Council a proposed amendment to the Brooklyn Center City Charter. The enclosed recommended amendment is being forwarded for consideration for adoption by ordinance pursuant to Minnesota Statutes, section 410.12, subdivision 7 and Section VIII(B)(3)(a) of the Charter Commission's Rules of Procedures ("Rules").

The recommended amendment was accepted by a 2/3 affirmative vote of the actual membership (with never less than eight affirmative votes) of the Charter Commission as required by Section VIII(B)(1) of the Rules and are being transmitted as separate recommendations the City Council may act on individually or jointly. The Charter Commission understands the City will draft one or more ordinances as needed to address the recommended amendment and will act on them within the timelines established in Minnesota Statutes, section 410.12, subdivision 7.

Please feel free to contact me if there are any questions or if you would like me to provide additional information regarding the Charter Commission's reasons behind the recommended amendment.

Sincerely,



Mark Goodell
Chairperson

Enclosure – Recommended Amendment #1

BROOKLYN CENTER HOME RULE CHARTER COMMISSION

RECOMMENDED CHARTER AMENDMENT

The Brooklyn Center Home Rule Charter Commission hereby transmits the following recommended amendment to the City Charter for consideration and action by the City Council by ordinance pursuant to Minnesota Statutes, section 410.12, subdivision 7.

Recommended Amendment #1

Chapter 7, Section 7.10, of the City Charter of the City of Brooklyn Center is hereby amended by deleting the ~~stricken~~ material and adding the double underlined material as follows:

Section 7.10. DISBURSEMENTS. HOW MADE. No disbursements of City funds shall be made except by means as allowed in MN statutes. Payments made by check must bear~~ing~~ the actual or facsimile signature of the City Manager and the Treasurer. ~~Such checks shall bear a statement~~ Each disbursement shall specify~~ing~~ the purposes for which the disbursement is made and the fund from which it is drawn, or a ~~check~~ payment register shall be prepared and maintained which shall contain the aforementioned information. No ~~such check~~ payment shall be ~~issued~~ made until there is money to the credit of the fund from which it is to be paid, sufficient to pay it together with all outstanding encumbrances upon the fund. No ~~such check~~ payment shall be ~~issued~~ made until the claim to which it relates has been supported by an itemized bill, payroll, ~~or~~ time sheet, or contract approved and signed by the responsible City officer who vouches for its correctness and reasonableness. The City Manager shall note on each contract requiring the payment of money by the City the particular fund out of which it is to be paid. The Council may by ordinance make further regulations for the safekeeping and disbursement of the funds of the City.

Submitted to the City this 28th day of July 2019.

BY THE CHARTER COMMISSION

_____
Mark Goodell, Chairperson

_____
Kathryn Ellgren, Secretary

CITY OF BROOKLYN CENTER

Notice is hereby given that a Public Hearing will be held on the 9th day of September, 2019, at 7 p.m. or as soon thereafter as the matter may be heard at the City Hall, 6301 Shingle Creek Parkway, to consider an ordinance amending Chapter 7 of the Brooklyn Center City Charter; Section 7.10. Auxiliary aids for persons with disabilities are available upon request at least 96 hours in advance. Please contact the City Clerk at 763-569-3300 to make arrangements.

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 7 SECTION 7.10
OF THE BROOKLYN CENTER CITY CHARTER

THE CITY COUNCIL OF THE CITY OF BROOKLYN CENTER DOES ORDAIN AS FOLLOWS:

Section 1. Chapter 7, Section 7.10 of the City Charter of the City of Brooklyn Center is hereby amended by deleting the stricken material and adding the double underlined material as follows:

Section 7.10. DISBURSEMENTS. HOW MADE. No disbursements of City funds shall be made except by means as allowed in Minnesota statutes. Payments made by check must bear~~ing~~ the actual or facsimile signature of the City Manager and the Treasurer. ~~Such checks shall bear a statement~~ Each disbursement shall specify~~ing~~ the purposes for which the disbursement is made and the fund from which it is drawn, or a ~~check~~ payment register shall be prepared and maintained which shall contain the aforementioned information. No ~~such check~~ payment shall be ~~issued~~ made until there is money to the credit of the fund from which it is to be paid, sufficient to pay it together with all outstanding encumbrances upon the fund. No ~~such check~~ payment shall be ~~issued~~ made until the claim to which it relates has been supported by an itemized bill, payroll, ~~or~~ time sheet, or contract approved and signed by the responsible City officer who vouches for its correctness and reasonableness. The City Manager shall note on each contract requiring the payment of money by the City the particular fund out of which it is to be paid. The Council may by ordinance make further regulations for the safekeeping and disbursement of the funds of the City.

Section 2. This ordinance shall be effective after adoption and ninety (90) days following its legal publication.

Adopted this_____ day of_____, 2019.

_____
Mayor

ATTEST: _____
City Clerk

ORDINANCE NO. _____

Date of Publication:

Effective Date:

(~~Strikeout~~ indicates matter to be deleted, double underline indicates new matter.)

COUNCIL ITEM MEMORANDUM

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: N/A

FROM: Doran M. Cote, P.E., Director of Public Works

SUBJECT: Resolution Accepting Work Performed and Authorizing Final Payment, Improvement Project Nos. 2017-01, 02, 03, 04 and 07, Evergreen Park Area Street, Storm Drainage, Utility, Trail and Parking Lot Improvements

Requested Council Action:

It is recommended that the City Council approve the resolution accepting work performed and authorizing final payment, Improvement Project Nos. 2017-01, 02, 03, 04 and 07, Evergreen Park Area Street, Storm Drainage, Utility, Trail and Parking Lot Improvements.

Background:

On March 27, 2017, the City Council awarded Improvement Project Nos. 2017-01, 02, 03, 04 and 07 to Ryan Contracting Company of Elko, Minnesota for construction of the Evergreen Park Area Street, Storm Drainage, Utility, Trail and Parking Lot Improvements. Ryan Contracting Company has successfully completed the construction work and is requesting final payment for the project.

Budget Issues:

The original contract amount with Ryan Contracting Company for the project improvements was $7,565,719.04. The total value of work certified for final payment is $7,342,060.86. The total project cost including contingencies/administration/engineering/legal is $8,297,480.39 and was completed 12.5 percent under budget in the amount of $1,180,976.55. The attached resolution provides a summary of the final amended costs and funding sources for the project.

Strategic Priorities and Values:

Key Transportation Investments

ATTACHMENTS:

Description	Upload Date	Type
Resolution	8/1/2019	Resolution Letter

Member introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION ACCEPTING WORK PERFORMED AND AUTHORIZING FINAL PAYMENT, IMPROVEMENT PROJECT NOS. 2017-01, 02, 03, 04 AND 07, EVERGREEN PARK AREA STREET, STORM DRAINAGE, UTILITY, TRAIL AND PARKING LOT IMPROVEMENTS

WHEREAS, pursuant to a written contract signed with the City of Brooklyn Center, Minnesota, Ryan Contracting Company of Elko, Minnesota has completed the following improvements in accordance with said contract:

Improvement Project Nos. 2017-01, 02, 03, 04 and 07, Evergreen Park Area Street, Storm Drainage, Utility, Trail and Parking Lot Improvements

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brooklyn Center, Minnesota, that

1. Final payment shall be made on Improvement Project Nos. 2017-01, 02, 03, 04 and 07, Evergreen Park Area Street, Storm Drainage, Utility, Trail and Parking Lot Improvements, taking the contractor's receipt in full. The total amount to be paid for said improvements under said contract shall be $7,342,060.86.

2. The estimated project costs and revenues are hereby amended as follows:

COSTS	As Original Award	As Final
Contract	$7,565,719.04	$7,342,060.86
Lighting	$ 97,737.90	$ 97,737.90
Contingency	$ 768,000.00	$ 70,525.01
Subtotal Construction Cost	$8,431,456.94	$7,510,323.77
Admin/Legal/Engr.	$1,047,000.00	$ 787,156.62
Total Estimated Project Cost	$9,478,456.94	$8,297,480.39

RESOLUTION NO. _____

REVENUES	As Original Award	As Final
Street Assessment	$1,106,637.00	$1,106,637.00
Storm Drainage Assessment	$ 316,260.29	$ 316,260.29
Sanitary Sewer Utility	$1,448,775.00	$1,258,759.71
Water Utility Fund	$1,873,492.00	$1,608,636.90
Storm Drainage Utility Fund	$1,458,534.71	$ 924,101.72
Street Light Utility	$ 118,737.90	$ 107,970.94
Municipal State Aid (MSA) Fund	$ 476,500.00	$ 457,832.94
Street Reconstruction Fund	$2,462,450.74	$2,339,455.50
Capital Projects Fund	$ 203,178.30	$ 165,745.39
CenterPoint Energy	$ 13,051.00	$ 12,080.00
Miscellaneous (plan Sales)	$ 840.00	$ 0.00
Total Estimated Revenue	$9,478,456.94	$8,297,480.39

August 12, 2019
Date

_____
Mayor

ATTEST: _____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by member

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:
whereupon said resolution was declared duly passed and adopted.

COUNCIL ITEM MEMORANDUM

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: N/A

FROM: Nate Reinhardt, Finance Director

SUBJECT: Resolution Calling for a Public Hearing on Proposed Special Assessments for Delinquent Public Utility Service Accounts

Requested Council Action:

- Motion to approve a resolution calling a public hearing for Monday, September 9, 2019 on proposed special assessments for delinquent public utility service accounts.

Background:

One of the City's methods for collecting unpaid utilities is to assess them to the property served by the utility. Under Minnesota Statutes (M.S. 444.075, Subd. 3f) municipalities are allowed to certify unpaid utilities to the property taxes for the parcel served by the utility. City Code Section 4-105 confirms the City's expectation that this method of collection will be used for delinquent, unpaid utility charges.

For the Fall Assessment of 2019, accounts included in the preliminary assessment roll attached to this memorandum include those delinquent and unpaid as of June 30, 2019. This list is sorted and presented by the address number of the customer. This year there are 830 accounts totaling $554,027 in unpaid utility charges and penalties. This compares with 837 accounts totaling $563,664, at this point of the year, in 2018.

With the adoption of this resolution, a letter will be sent to each of these accounts informing them of the amount due on their account, the potential assessment of the amount to their property taxes, and informing them of the Public Hearing location, date and time. Following the Public Hearing on September 9, 2019 the Council will be asked to consider a resolution certifying overdue, unpaid accounts for assessment against 2020 property taxes.

Budget Issues:

There are no exceptional budget issues. These amounts were previously owed.

Strategic Priorities and Values:

Safe, Secure, Stable Community

ATTACHMENTS:

Description	Upload Date	Type
Resolution Setting Public Hearing for Delinquent Utility Special Assessments	8/5/2019	Resolution Letter
Delinquent UB Certification Listing	8/5/2019	Exhibit

Member introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION CALLING FOR A PUBLIC HEARING ON PROPOSED SPECIAL ASSESSMENTS FOR DELINQUENT PUBLIC UTILITY SERVICE ACCOUNTS

BE IT RESOLVED by the City Council of the City of Brooklyn Center that:

1. A hearing shall be held on the 9th day of September 2019, in City Hall at 7:00 PM or as soon thereafter as the matter may be heard, to pass upon the proposed assessments for Delinquent Public Utility Service Accounts.

2. The City Clerk, with the assistance of the Finance Director, shall forthwith prepare assessment rolls for the above charges and shall keep them on file and open to inspection by any interested persons.

3. The City Clerk is directed to cause a notice of the Public Hearing on the proposed assessment to be published once in the official newspaper at least two weeks prior to the hearing.

4. The City Clerk shall cause mailed notice to be given to the owner of each parcel described in such assessment rolls not less than two weeks prior to the hearing.

_____ _____

Date Mayor

ATTEST: _____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by member

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:
whereupon said resolution was declared duly passed and adopted.

Levy #	Property ID #	Service Address	Certification Balance
20164	3611921330015	1100 62ND AVE N	$971.46
20164	3611921330063	1201 63RD LA N	$929.29
20164	3611921330072	1239 63RD LA N	$208.04
20164	0111821320030	1300 55TH AVE N	$241.71
20164	0311821410040	1300 SHINGLE CREEK XING STE 112	$866.87
20164	2511921320043	1301 72ND AVE N	$942.14
20164	3611921220064	1313 68TH LN N	$148.39
20164	3611921220065	1317 68TH LN N	$205.75
20164	3611921220090	1328 68TH LN N	$867.93
20164	0111821230007	1400 57TH AVE N	$1,071.71
20164	2611921440059	1511 71ST AVE N	$1,088.07
20164	3511921110027	1543 HUMBOLDT PL N	$857.66
20164	3511921110044	1600 68TH LN N	$482.46
20164	3511921110056	1601 67TH LN N	$943.50
20164	3511921110048	1601 68TH LN N	$381.21
20164	2611921440101	1601 IRVING LA N	$855.92
20164	2611921440099	1610 IRVING LA N	$199.06
20164	3511921110041	1612 68TH LN N	$934.92
20164	2611921410032	1612 71ST AVE N	$956.02
20164	2611921410096	1612 WOODBINE LA	$1,064.65
20164	35119210053	1613 67TH LN N	$1,162.53
20164	2611921410053	1618 AMY LA	$798.56
20164	2611921440072	1619 IRVING LA N	$1,123.75
20164	0211821140097	1703 59TH AVE N	$439.90
20164	2611921440077	1708 IRVING LA N	$1,085.37
20164	2611921410107	1711 73RD AVE N	$1,000.02
20164	2611921440024	1801 70TH AVE N	$1,107.29
20164	0211821440031	1821 55TH AVE N	$1,089.22
20164	2611921440092	1821 IRVING LA N	$284.04
20164	0211821420055	2009 BROOKVIEW DR	$399.95
20164	0211821420099	2024 ERICON DR	$747.71
20164	0211821420052	2101 BROOKVIEW DR	$248.15
20164	0211821420101	2106 ERICON DR	$891.22
20164	0211821430118	2107 55TH AVE N	$436.89
20164	0211821420051	2107 BROOKVIEW DR	$205.45
20164	0211821430072	2112 55TH AVE N	$225.60
20164	2611921430104	2112 69TH AVE N	$445.00
20164	0211821420103	2118 ERICON DR	$215.81
20164	2611921340003	2200 69TH AVE N	$220.15
20164	2611921340005	2208 69TH AVE N	$210.97
20164	0211821310036	2306 ERICON DR	$1,117.04
20164	0211821310038	2331 ERICON DR	$855.04
20164	0211821310022	2336 BROOKVIEW DR	$322.21
20164	0211821310017	2418 ERICON DR	$213.22

20164	3511921310010	2600 65TH AVE N	$153.80
20164	3511921310015	2601 65TH AVE N	$318.30
20164	3511921320050	2606 64TH AVE N	$1,198.67
20164	3511921320004	2612 65TH AVE N	$163.60
20164	3511921320082	2700 OHENRY RD	$925.82
20164	3511921320024	2701 65TH AVE N	$218.78
20164	3511921320086	2701 OHENRY RD	$180.26
20164	3511921330014	2712 NASH RD	$145.99
20164	3511921320062	2801 64TH AVE N	$1,046.39
20164	3511921330050	2806 MUMFORD RD	$543.18
20164	3511921330037	2807 NASH RD	$1,028.15
20164	3511921230015	2812 67TH LN N	$1,645.68
20164	3511921320093	2813 OHENRY RD	$98.70
20164	3511921330022	2819 63RD AVE N	$462.58
20164	3511921230033	2837 67TH LN N	$90.00
20164	3511921230022	2840 67TH LN N	$877.40
20164	3511921230034	2841 67TH LN N	$1,371.76
20164	3511921220042	2904 67TH LN N	$873.71
20164	3511921320017	2906 65TH AVE N	$674.81
20164	3511921230008	2906 66TH AVE N	$1,061.33
20164	3511921330024	2907 63RD AVE N	$873.11
20164	3511921320112	2907 66TH AVE N	$586.44
20164	0311821440025	3000 53RD AVE N	$227.00
20164	3411921110084	3006 THURBER RD	$130.00
20164	3411921110072	3007 68TH AVE N	$1,230.00
20164	3411921140008	3012 67TH AVE N	$857.32
20164	3411921440038	3013 NASH RD	$955.06
20164	3411921140014	3019 67TH AVE N	$880.03
20164	3411921410127	3019 QUARLES RD	$974.60
20164	3411921140084	3025 QUARLES RD	$953.62
20164	3411921410020	3100 64TH AVE N	$1,194.10
20164	3411921140056	3101 66TH AVE N	$1,133.22
20164	3411921440104	3101 LAWRENCE RD	$188.81
20164	3411921410084	3101 OHENRY RD	$1,387.13
20164	3411921140042	3106 66TH AVE N	$644.76
20164	3411921440006	3107 63RD AVE N	$865.37
20164	3411921140017	3107 67TH AVE N	$1,012.63
20164	3411921140058	3113 66TH AVE N	$541.90
20164	3411921140018	3113 67TH AVE N	$133.83
20164	3411921440108	3117 LAWRENCE RD	$946.99
20164	3411921140059	3119 66TH AVE N	$1,624.69
20164	3411921140088	3119 QUARLES RD	$191.66
20164	1011821410008	3141 49TH AVE N	$708.73
20164	3411921140075	3200 QUARLES RD	$100.55
20164	3411921440065	3206 62ND AVE N	$1,130.44
20164	3411921140029	3206 65TH AVE N	$965.30
20164	3411921440025	3206 MUMFORD RD	$669.62

20164	3411921410117	3207 65TH AVE N	$771.82
20164	3411921140090	3207 QUARLES RD	$501.42
20164	3411921140073	3212 QUARLES RD	$880.00
20164	3411921140022	3213 67TH AVE N	$226.46
20164	3411921410029	3224 64TH AVE N	$702.91
20164	3411921110114	3224 67TH AVE N	$69.97
20164	3411921110113	3300 67TH AVE N	$74.51
20164	3411921440029	3300 MUMFORD RD	$203.05
20164	3411921140071	3300 QUARLES RD	$922.12
20164	1011821140052	3301 49TH AVE N	$179.55
20164	3411921440013	3301 63RD AVE N	$108.39
20164	3411921110054	3301 68TH AVE N	$882.56
20164	3411921440114	3301 LAWRENCE RD	$996.44
20164	3411921440116	3305 LAWRENCE RD	$197.35
20164	3411921410093	3307 OHENRY RD	$396.59
20164	3411921410070	3307 POE RD	$575.36
20164	3411921440059	3312 62ND AVE N	$439.57
20164	3411921410015	3312 63RD AVE N	$445.37
20164	3411921440089	3312 LAWRENCE RD	$901.93
20164	3411921410069	3313 POE RD	$1,105.10
20164	3411921440016	3319 63RD AVE N	$635.20
20164	1011821130013	3321 50TH AVE N	$244.93
20164	1011821130020	3355 49TH AVE N	$203.21
20164	2711921410003	3406 WOODBINE LA	$641.60
20164	3411921420018	3407 65TH AVE N	$122.35
20164	3411921130075	3409 66TH AVE N	$756.47
20164	1011821130032	3416 50TH AVE N	$842.70
20164	3411921130044	3501 66TH AVE N	$2,340.24
20164	2711921420049	3519 WOODBINE LA	$230.00
20164	0311821430057	3600 53RD AVE N	$894.01
20164	3411921130034	3601 66TH AVE N	$1,838.33
20164	0311821130049	3609 ADMIRAL LA	$235.27
20164	0311821430086	3613 55TH AVE N	$387.36
20164	2711921420122	3616 VIOLET AVE	$997.21
20164	0311821130047	3617 ADMIRAL LA	$203.05
20164	0311821430060	3618 53RD AVE N	$1,036.87
20164	2711921430070	3619 URBAN AVE	$195.29
20164	0311821430061	3700 53RD AVE N	$1,229.63
20164	3411921130027	3701 66TH AVE N	$169.19
20164	2711921420089	3707 72ND AVE N	$469.30
20164	0311821130080	3724 58TH AVE N	$986.08
20164	2711921420099	3724 VIOLET AVE	$1,002.94
20164	1011821210014	3800 52ND AVE N	$843.18
20164	0311821310071	3800 ECKBERG DR	$982.47
20164	0311821120077	3801 61ST AVE N	$1,239.79
20164	3411921340074	3801 62ND AVE N	$333.52
20164	1011821240007	3806 51ST AVE N	$388.34

20164	1011821210015	3806 52ND AVE N	$1,028.72
20164	0311821240081	3806 58TH AVE N	$273.51
20164	2711921420096	3812 VIOLET AVE	$70.88
20164	1011821210071	3815 OAK ST	$189.91
20164	1011821210078	3853 OAK ST	$502.16
20164	3411921340071	3901 62ND AVE N	$963.27
20164	0311821310065	3906 ECKBERG DR	$999.94
20164	0311821310060	3907 56TH AVE N	$63.18
20164	0311821310042	3907 BURQUEST LA	$208.26
20164	2711921340081	3909 71ST AVE N	$336.28
20164	0311821240050	3918 57TH AVE N	$385.04
20164	0311821240088	3918 58TH AVE N	$669.48
20164	3411921340122	4001 63RD AVE N	$108.47
20164	3411921340105	4001 JOYCE LA	$995.07
20164	0311821240014	4007 58TH AVE N	$190.19
20164	0311821210125	4007 61ST AVE N	$490.60
20164	3411921310084	4007 65TH AVE N	$838.14
20164	3411921340049	4012 62ND AVE N	$1,052.86
20164	1011821320001	4040 LAKESIDE AVE	$1,172.18
20164	1011821320002	4100 LAKESIDE AVE	$184.73
20164	2711921310065	4101 WOODBINE LA	$138.41
20164	1011821320008	4104 LAKESIDE AVE	$836.92
20164	3411921340099	4113 JOYCE LA	$439.37
20164	3611921120021	420 67TH AVE N	$1,060.58
20164	3411921340115	4201 63RD AVE N	$222.46
20164	3411921310032	4201 65TH AVE N	$368.91
20164	3411921340003	4206 JANET LA	$220.99
20164	3411921240040	4206 WINCHESTER LA	$494.33
20164	3411921340114	4207 63RD AVE N	$813.83
20164	3411921240033	4207 66TH AVE N	$617.45
20164	3411921240048	4212 65TH AVE N	$65.16
20164	3411921340002	4212 JANET LA	$902.50
20164	2711921310085	4212 WOODBINE LA	$955.09
20164	3411921340059	4213 62ND AVE N	$130.00
20164	3411921240037	4224 WINCHESTER LA	$990.19
20164	3411921230065	4306 65TH AVE N	$1,256.44
20164	3411921330022	4309 63RD AVE N	$775.56
20164	3411921320075	4309 64TH AVE N	$738.38
20164	3411921230046	4400 WINCHESTER LA	$872.92
20164	3411921320108	4401 65TH AVE N	$1,615.00
20164	3411921230108	4406 66TH AVE N	$531.55
20164	2711921320124	4407 71ST AVE N	$540.19
20164	2711921320062	4413 71ST AVE N	$459.22
20164	3411921230067	4501 WINCHESTER LA	$520.29
20164	3411921230033	4506 WINCHESTER LA	$264.51
20164	2711921320059	4507 71ST AVE N	$914.70
20164	3411921320053	4507 KATHRENE DR	$330.00

20164	3411921230032	4512 WINCHESTER LA	$817.78
20164	3411921320056	4518 63RD AVE N	$270.69
20164	2711921320042	4601 WOODBINE LA	$335.05
20164	3411921230025	4613 66TH AVE N	$136.27
20164	1011821320005	4708 TWIN LAKE AVE	$99.26
20164	1011821320198	4711 TWIN LAKE AVE	$202.86
20164	1011821320040	4718 TWIN LAKE AVE	$455.36
20164	3311921410047	4806 63RD AVE N	$653.19
20164	2811921410016	4807 WINGARD PL	$954.78
20164	2811921440014	4812 69TH AVE N	$276.76
20164	1011821320050	4825 TWIN LAKE AVE	$381.20
20164	1011821130069	4900 FRANCE AVE N	$475.54
20164	1011821130069	4902 FRANCE AVE N	$1,144.28
20164	3311921140036	4906 65TH AVE N	$367.49
20164	2811921410187	4906 WINGARD PL	$240.09
20164	1011821140039	4908 ABBOTT AVE N	$347.16
20164	3311921140035	4912 65TH AVE N	$213.33
20164	1011821140040	4912 ABBOTT AVE N	$372.10
20164	3311921140058	4913 HOWE LA	$556.97
20164	1011821130072	4914 FRANCE AVE N	$131.58
20164	3311921140052	4918 HOWE LA	$207.62
20164	1011821130027	4937 BEARD AVE N	$351.77
20164	1011821140031	4937 ZENITH AVE N	$904.32
20164	1011821140011	4957 BROOKLYN BLVD	$759.27
20164	2811921410057	5005 WINGARD PL	$617.23
20164	3311921410085	5006 63RD AVE N	$340.74
20164	1011821130005	5006 FRANCE AVE N	$67.50
20164	3311921410104	5007 65TH AVE N	$931.26
20164	1011821130030	5012 LILAC DR N	$591.06
20164	3311921140028	5013 WINCHESTER LA	$205.45
20164	1011821140085	5018 ABBOTT AVE N	$211.97
20164	1011821140086	5024 ABBOTT AVE N	$911.95
20164	1011821130056	5036 EWING AVE N	$904.64
20164	1011821120078	5048 FRANCE AVE N	$1,142.37
20164	3611921430025	506 61ST AVE N	$362.96
20164	1011821120055	5100 DREW AVE N	$898.72
20164	3311921410106	5101 65TH AVE N	$182.14
20164	2811921430032	5106 70TH AVE N	$587.33
20164	1011821120036	5111 DREW AVE N	$405.25
20164	3311921130082	5113 HOWE LA	$331.50
20164	3311921420128	5113 PAUL DR	$910.50
20164	3311921130030	5113 WINCHESTER LA	$787.01
20164	1011821120040	5116 EWING AVE N	$916.82
20164	1011821120053	5120 DREW AVE N	$164.23
20164	1011821210057	5120 TWIN LAKE BLVD E	$338.69
20164	3311921130060	5124 HOWE LA	$888.64
20164	1011821120073	5125 EWING AVE N	$847.95

20164	1011821210050	5127 FRANCE AVE N	$174.37
20164	3311921130104	5130 66TH AVE N	$562.08
20164	1011821120069	5149 EWING AVE N	$430.00
20164	1011821110023	5201 XERXES AVE N	$130.62
20164	3311921420124	5206 63RD AVE N	$544.58
20164	3311921420038	5206 PAUL DR	$768.64
20164	1011821120062	5207 EWING AVE N	$306.71
20164	3311921130008	5213 66TH AVE N	$1,001.29
20164	3311921430061	5213 BOULDER LA	$351.91
20164	2811921430038	5218 70TH AVE N	$678.91
20164	3311921420033	5219 65TH AVE N	$829.37
20164	1011821120017	5221 DREW AVE N	$813.90
20164	1011821210019	5222 GREAT VIEW AVE	$236.15
20164	3311921130046	5230 65TH AVE N	$793.75
20164	3311921130098	5230 66TH AVE N	$330.00
20164	3311921130091	5231 HOWE LA	$845.21
20164	1011821110012	5243 XERXES AVE N	$130.62
20164	1011821210033	5256 TWIN LAKE BLVD E	$661.31
20164	1011821210035	5261 TWIN LAKE BLVD E	$218.40
20164	3311921430054	5300 BOULDER LA	$952.46
20164	0311821340018	5300 TWIN LAKE BLVD E	$673.47
20164	3311921430031	5301 62ND AVE N	$95.09
20164	0111821340087	5301 COLFAX AVE N	$544.58
20164	0111821330146	5301 DUPONT AVE N	$703.79
20164	0111821330125	5302 FREMONT AVE N	$1,104.34
20164	0111821330001	5303 FREMONT AVE N	$329.96
20164	2811921420061	5305 72ND CIR	$366.35
20164	0111821340078	5305 BRYANT AVE N	$997.83
20164	3311921130069	5306 HOWE LA	$767.26
20164	0211821430003	5306 PENN AVE N	$755.82
20164	0111821340079	5307 BRYANT AVE N	$384.72
20164	3311921420110	5307 ELEANOR LA	$218.40
20164	0211821430021	5307 NEWTON AVE N	$949.51
20164	0211821340043	5307 PENN AVE N	$200.27
20164	0111821330148	5308 EMERSON AVE N	$189.49
20164	0311821440022	5308 LILAC DR N	$220.99
20164	2811921420063	5310 72ND CIR	$462.17
20164	0211821430027	5312 OLIVER AVE N	$796.16
20164	0111821340125	5316 COLFAX AVE N	$865.11
20164	0211821440073	5316 LOGAN AVE N	$198.00
20164	3311921120056	5318 68TH AVE N	$1,049.12
20164	3311921420079	5318 ELEANOR LA	$937.56
20164	0211821430012	5318 NEWTON AVE N	$95.59
20164	0211821340061	5318 QUEEN AVE N	$298.49
20164	0211821440064	5322 KNOX AVE N	$266.38
20164	3311921430090	5324 62ND AVE N	$410.36
20164	0211821330016	5324 LILAC DR N	$666.75

20164	0211821430011	5324 NEWTON AVE N	$257.81
20164	0111821330028	5326 HUMBOLDT AVE N	$901.75
20164	0111821340093	5327 COLFAX AVE N	$166.60
20164	2811921420066	5328 72ND CIR	$214.45
20164	0111821330150	5328 EMERSON AVE N	$484.00
20164	3311921420117	5330 63RD AVE N	$236.90
20164	0211821430010	5330 NEWTON AVE N	$779.73
20164	2811921420021	5332 71ST CIR	$607.12
20164	0111821330022	5333 GIRARD AVE N	$772.94
20164	0211821440099	5333 JAMES AVE N	$272.88
20164	2811921420067	5334 72ND CIR	$236.54
20164	0111821430080	5334 CAMDEN AVE N	$682.62
20164	0111821330161	5335 EMERSON AVE N	$679.21
20164	0111821330011	5336 GIRARD AVE N	$205.45
20164	0311821430092	5336 NORTHPORT DR	$899.59
20164	0111821430017	5337 LYNDALE AVE N	$835.94
20164	0111821330026	5338 HUMBOLDT AVE N	$373.84
20164	0211821440101	5338 KNOX AVE N	$463.25
20164	0111821330114	5339 EMERSON AVE N	$920.64
20164	0211821430004	5341 MORGAN AVE N	$528.00
20164	0211821440004	5343 KNOX AVE N	$812.65
20164	2811921430173	5344 71ST CIR	$1,034.23
20164	0111821430083	5344 CAMDEN AVE N	$213.81
20164	0111821330009	5344 GIRARD AVE N	$213.22
20164	0211821440102	5344 KNOX AVE N	$666.18
20164	0211821330011	5344 LILAC DR N	$702.63
20164	0211821430057	5344 MORGAN AVE N	$838.62
20164	2811921430160	5345 71ST CIR	$70.88
20164	0211821440113	5345 HUMBOLDT AVE N	$677.91
20164	0211821440097	5345 JAMES AVE N	$1,140.13
20164	0311821440012	5347 BROOKLYN BLVD	$238.42
20164	0111821340064	5348 COLFAX AVE N	$728.30
20164	0311821430042	5348 NORTHPORT DR	$1,019.95
20164	0111821430082	5350 CAMDEN AVE N	$202.86
20164	0211821440103	5350 KNOX AVE N	$209.40
20164	0311821440012	5353 BROOKLYN BLVD	$555.13
20164	0111821330111	5355 EMERSON AVE N	$145.04
20164	0111821340104	5357 COLFAX AVE N	$198.42
20164	0111821330064	5400 HUMBOLDT AVE N	$189.91
20164	3311921430081	5401 63RD AVE N	$480.23
20164	2811921430086	5401 70TH CIR	$2,310.28
20164	0111821340132	5401 BRYANT AVE N	$405.02
20164	0111821330063	5401 GIRARD AVE N	$154.30
20164	0211821440093	5401 JAMES AVE N	$189.91
20164	0111821330044	5404 GIRARD AVE N	$1,007.39
20164	0211821340033	5404 QUEEN AVE N	$512.63
20164	0111821430059	5407 4TH ST N	$862.11

20164	2811921430085	5407 70TH CIR	$483.85
20164	0211821440084	5407 HUMBOLDT AVE N	$706.25
20164	0211821430064	5407 LOGAN AVE N	$857.68
20164	0211821430125	5407 OLIVER AVE N	$189.91
20164	0111821340106	5408 DUPONT AVE N	$187.32
20164	0111821340059	5412 COLFAX AVE N	$801.08
20164	0211821440140	5413 IRVING AVE N	$912.38
20164	0211821430063	5413 LOGAN AVE N	$932.08
20164	0211821440015	5414 KNOX AVE N	$899.56
20164	0111821330080	5415 DUPONT AVE N	$642.68
20164	0111821340042	5418 BRYANT AVE N	$1,183.87
20164	0111821330166	5418 GIRARD AVE N	$65.20
20164	0211821440124	5418 JAMES AVE N	$187.32
20164	0211821430134	5418 OLIVER AVE N	$215.81
20164	2811921420024	5420 71ST CIR	$1,068.17
20164	0111821330168	5420 FREMONT AVE N	$747.85
20164	0111821330167	5420 GIRARD AVE N	$69.58
20164	0111821430058	5421 4TH ST N	$162.69
20164	2811921420077	5422 72ND CIR	$220.15
20164	0111821330066	5422 HUMBOLDT AVE N	$368.40
20164	0111821330086	5424 EMERSON AVE N	$1,223.68
20164	0211821440028	5424 LOGAN AVE N	$180.57
20164	2811921430110	5430 70TH CIR	$180.26
20164	0211821430082	5430 MORGAN AVE N	$880.56
20164	0211821440128	5431 JAMES AVE N	$668.22
20164	2811921420026	5432 71ST CIR	$973.97
20164	0111821340111	5432 DUPONT AVE N	$638.33
20164	2811921430152	5433 71ST CIR	$871.41
20164	0211821440018	5433 KNOX AVE N	$233.94
20164	0111821330094	5435 EMERSON AVE N	$192.50
20164	0111821340005	5439 CAMDEN AVE N	$341.84
20164	0111821330068	5440 HUMBOLDT AVE N	$940.84
20164	0111821340126	5441 BRYANT AVE N	$208.04
20164	0111821340115	5444 DUPONT AVE N	$243.02
20164	0111821330069	5444 HUMBOLDT AVE N	$391.71
20164	0111821340049	5447 BRYANT AVE N	$914.25
20164	0111821330093	5447 EMERSON AVE N	$184.73
20164	0111821430048	5448 CAMDEN AVE N	$182.14
20164	0111821340050	5448 COLFAX AVE N	$76.10
20164	0211821440077	5451 HUMBOLDT AVE N	$942.27
20164	0111821340118	5452 DUPONT AVE N	$1,552.75
20164	0111821330157	5452 EMERSON AVE N	$934.21
20164	0111821330109	5452 FREMONT AVE N	$83.07
20164	0111821330033	5455 FREMONT AVE N	$850.37
20164	0211821410121	5500 JAMES AVE N	$195.09
20164	0111821320095	5501 EMERSON AVE N	$300.48
20164	0211821420014	5501 LOGAN AVE N	$822.28

20164	0111821320101	5508 FREMONT AVE N	$747.04
20164	0111821320097	5511 EMERSON AVE N	$536.60
20164	0111821310053	5513 BRYANT AVE N	$221.37
20164	0311821340024	5513 FRANCE AVE N	$530.01
20164	0111821420049	5516 CAMDEN AVE N	$184.73
20164	0211821410110	5516 KNOX AVE N	$114.23
20164	0211821410119	5520 JAMES AVE N	$898.51
20164	0111821310139	5524 ALDRICH DR N	$157.52
20164	0211821410024	5524 IRVING AVE N	$338.62
20164	0211821420082	5525 JUDY LA	$875.06
20164	0211821410002	5527 HUMBOLDT AVE N	$1,098.20
20164	0211821410023	5530 IRVING AVE N	$101.21
20164	0111821310102	5531 CAMDEN AVE N	$1,005.52
20164	0111821320054	5533 GIRARD AVE N	$965.57
20164	0111821310134	5537 ALDRICH DR N	$197.68
20164	0111821320035	5538 GIRARD AVE N	$855.79
20164	0111821310081	5540 DUPONT AVE N	$698.54
20164	0111821320092	5541 EMERSON AVE N	$206.41
20164	0211821420009	5541 LOGAN AVE N	$765.64
20164	0211821420025	5541 MORGAN AVE N	$164.69
20164	0111821310082	5544 DUPONT AVE N	$721.33
20164	0111821320036	5546 GIRARD AVE N	$169.19
20164	0211821410100	5557 JAMES AVE N	$786.27
20164	0111821310122	5560 ALDRICH DR N	$213.57
20164	0111821310032	5600 COLFAX AVE N	$179.55
20164	0111821320011	5600 EMERSON AVE N	$641.18
20164	0311821310045	5600 HALIFAX AVE N	$1,040.34
20164	0211821410020	5600 IRVING AVE N	$182.14
20164	0211821420120	5601 LOGAN AVE N	$686.50
20164	0211821410059	5603 JAMES AVE N	$2,055.39
20164	0211821410019	5606 IRVING AVE N	$978.30
20164	0111821420023	5607 LYNDALE AVE N	$1,568.26
20164	0111821320068	5610 HUMBOLDT AVE N	$246.22
20164	0211821410042	5613 IRVING AVE N	$187.82
20164	0311821310086	5615 HALIFAX AVE N	$1,094.20
20164	0211821420038	5618 HILLSVIEW RD	$266.81
20164	0211821420072	5619 HILLSVIEW RD	$179.55
20164	0111821320114	5620 FREMONT AVE N	$663.94
20164	0211821410005	5621 HUMBOLDT AVE N	$202.86
20164	0111821420031	5624 CAMDEN AVE N	$622.74
20164	0111821320004	5625 DUPONT AVE N	$1,057.49
20164	0211821410079	5626 LOGAN AVE N	$836.48
20164	0111821310096	5630 BRYANT AVE N	$346.75
20164	0111821310012	5630 COLFAX AVE N	$481.13
20164	0111821320109	5631 EMERSON AVE N	$352.96
20164	0211821420005	5633 LOGAN AVE N	$732.11
20164	0111821320107	5637 EMERSON AVE N	$746.22

20164	0111821310018	5642 DUPONT AVE N	$184.73
20164	0111821320017	5642 EMERSON AVE N	$1,623.78
20164	0311821420010	5649 NORTHPORT DR	$231.06
20164	0111821310016	5650 DUPONT AVE N	$506.77
20164	0211821410068	5659 KNOX AVE N	$927.08
20164	0111821230014	5700 GIRARD AVE N	$919.41
20164	0111821230009	5700 HUMBOLDT AVE N	$901.10
20164	0311821130057	5701 BROOKLYN BLVD	$175.28
20164	0311821240007	5701 HALIFAX AVE N	$1,129.16
20164	0111821240106	5705 CAMDEN AVE N	$1,144.28
20164	0211821140078	5707 IRVING AVE N	$274.07
20164	0111821230016	5712 GIRARD AVE N	$649.64
20164	0211821140006	5712 LOGAN AVE N	$504.34
20164	0111821230023	5715 DUPONT AVE N	$1,055.51
20164	0311821130075	5718 DREW AVE N	$1,388.93
20164	0111821230041	5724 GIRARD AVE N	$544.82
20164	0211821140035	5727 JAMES AVE N	$1,220.19
20164	0111821240045	5728 BRYANT AVE N	$961.32
20164	0111821230034	5730 FREMONT AVE N	$732.43
20164	0211821140039	5732 KNOX AVE N	$859.75
20164	0311821240011	5736 JUNE AVE N	$330.00
20164	0311821130071	5737 DREW AVE N	$1,196.02
20164	0111821230063	5737 DUPONT AVE N	$226.17
20164	0211821140064	5742 JAMES AVE N	$1,088.51
20164	0111821230087	5743 GIRARD AVE N	$1,060.94
20164	0211821140096	5746 IRVING AVE N	$827.06
20164	0111821230086	5754 HUMBOLDT AVE N	$119.83
20164	0111821240025	5800 DUPONT AVE N	$1,154.92
20164	0211821140028	5800 KNOX AVE N	$197.05
20164	0111821240099	5801 BRYANT AVE N	$835.82
20164	0311821240104	5801 HALIFAX AVE N	$1,082.80
20164	0311821230027	5805 SHORES DR	$957.67
20164	0211821140069	5806 IRVING AVE N	$937.87
20164	0111821230096	5807 DUPONT AVE N	$79.55
20164	0111821230075	5807 EMERSON AVE N	$843.45
20164	0211821140066	5807 HUMBOLDT AVE N	$691.87
20164	0211821140021	5807 KNOX AVE N	$1,035.07
20164	0111821240026	5808 DUPONT AVE N	$967.28
20164	0211821140029	5815 JAMES AVE N	$1,180.42
20164	0311821230041	5815 LAKE CURVE LA	$531.38
20164	0111821240022	5817 COLFAX AVE N	$1,087.63
20164	0311821240111	5818 JUNE AVE N	$293.34
20164	0311821230034	5819 SHORES DR	$584.36
20164	0311821130026	5821 DREW AVE N	$1,083.68
20164	0111821230073	5823 EMERSON AVE N	$589.59
20164	0111821230093	5825 DUPONT AVE N	$779.12
20164	0311821240099	5831 HALIFAX AVE N	$983.98

20164	0311821230048	5833 SHORES DR	$393.26
20164	0111821240108	5834 ALDRICH AVE N	$341.31
20164	0111821130040	5834 CAMDEN AVE N	$33.22
20164	0211821230005	5836 WASHBURN AVE N	$1,080.38
20164	0311821140004	5836 YORK AVE N	$231.54
20164	0211821140098	5837 JAMES AVE N	$523.01
20164	0311821230037	5841 LAKE CURVE LA	$575.62
20164	0311821130040	5842 BROOKLYN BLVD	$1,129.81
20164	0211821140056	5842 JAMES AVE N	$1,345.53
20164	0311821220029	5845 LAKE CURVE LA	$900.25
20164	0111821240072	5848 ALDRICH AVE N	$906.72
20164	0111821220009	5900 EMERSON AVE N	$1,163.96
20164	0111821210120	5901 BRYANT AVE N	$949.23
20164	0111821220008	5901 DUPONT AVE N	$981.48
20164	0311821110083	5901 ZENITH AVE N	$870.78
20164	0311821110103	5906 ZENITH AVE N	$906.92
20164	0211821220024	5907 WASHBURN AVE N	$786.03
20164	0311821110086	5912 ABBOTT AVE N	$287.47
20164	0111821120021	5926 CAMDEN AVE N	$573.59
20164	0111821220005	5927 DUPONT AVE N	$999.55
20164	0311821110061	5931 ABBOTT AVE N	$428.07
20164	0111821210106	5932 COLFAX AVE N	$980.38
20164	0111821220004	5935 DUPONT AVE N	$977.29
20164	0111821120014	5935 LYNDALE AVE N	$363.22
20164	0311821110126	5936 YORK AVE N	$978.95
20164	0111821210018	5943 COLFAX AVE N	$76.96
20164	0111821220015	5946 EMERSON AVE N	$431.49
20164	0211821220017	5949 WASHBURN AVE N	$1,402.95
20164	0111821220016	5950 EMERSON AVE N	$278.72
20164	0111821220017	5951 EMERSON AVE N	$1,485.83
20164	0111821120011	5951 LYNDALE AVE N	$1,069.68
20164	0311821120031	5953 ADMIRAL LA	$200.20
20164	3611921340001	600 62ND AVE N	$290.59
20164	0311821210098	6000 JUNE AVE N	$914.04
20164	0311821210057	6001 HALIFAX PL	$901.65
20164	0311821110047	6001 YORK AVE N	$111.60
20164	0111821210076	6006 ALDRICH AVE N	$416.20
20164	0111821220039	6006 EMERSON AVE N	$1,109.56
20164	0111821220086	6006 HUMBOLDT AVE N	$90.82
20164	0111821210068	6007 CAMDEN AVE N	$1,079.95
20164	0311821210033	6007 PEARSON DR	$518.65
20164	0211821220009	6007 VINCENT AVE N	$778.54
20164	0111821220035	6015 DUPONT AVE N	$1,231.00
20164	0111821120032	6015 LYNDALE AVE N	$570.77
20164	0111821210096	6018 COLFAX AVE N	$787.38
20164	0311821120017	6019 BROOKLYN BLVD	$257.41
20164	0111821210066	6019 CAMDEN AVE N	$913.81

20164	0311821220008	6019 JUNE AVE N	$1,028.49
20164	0111821220041	6020 EMERSON AVE N	$595.11
20164	0111821210073	6024 ALDRICH AVE N	$131.25
20164	0111821120039	6024 CAMDEN AVE N	$1,203.71
20164	0111821210013	6025 COLFAX AVE N	$541.84
20164	0111821220074	6032 GIRARD AVE N	$1,033.45
20164	0111821210093	6035 BRYANT AVE N	$1,020.93
20164	0111821210070	6042 ALDRICH AVE N	$171.78
20164	0111821220030	6047 DUPONT AVE N	$909.67
20164	3611921330025	6100 EMERSON AVE N	$1,043.66
20164	3611921340021	6101 BRYANT AVE N	$184.73
20164	3611921330010	6101 FREMONT AVE N	$1,245.28
20164	3411921330094	6101 KYLE AVE N	$220.04
20164	3611921430024	6101 LYNDALE AVE N	$259.88
20164	3611921340023	6106 COLFAX AVE N	$1,301.36
20164	3611921330012	6106 GIRARD AVE N	$128.40
20164	3611921340096	6107 ALDRICH AVE N	$974.57
20164	3611921330036	6107 EMERSON AVE N	$671.07
20164	3311921440034	6107 QUAIL AVE N	$863.60
20164	3411921330102	6113 JUNE AVE N	$195.27
20164	3611921340012	6114 BRYANT AVE N	$1,180.52
20164	3611921340036	6114 DUPONT AVE N	$577.80
20164	3511921330064	6120 XERXES AVE N	$902.27
20164	3611921340030	6123 COLFAX AVE N	$191.93
20164	3311921440018	6124 QUAIL AVE N	$776.17
20164	3311921440044	6125 PERRY AVE N	$900.83
20164	3411921340001	6126 JUNE AVE N	$493.22
20164	3611921430021	6127 LYNDALE AVE N	$860.79
20164	3611921330030	6130 EMERSON AVE N	$231.20
20164	3611921340006	6131 ALDRICH AVE N	$567.79
20164	3611921340027	6138 COLFAX AVE N	$886.75
20164	3311921430021	6142 SCOTT AVE N	$873.01
20164	3611921340070	6200 DUPONT AVE N	$458.47
20164	3311921440017	6200 QUAIL AVE N	$68.24
20164	3511921430008	6200 SHINGLE CREEK PKWY	$229.05
20164	3411921430007	6201 BROOKLYN BLVD	$5,252.52
20164	3611921340069	6201 COLFAX AVE N	$1,040.26
20164	3411921330051	6207 LEE AVE N	$1,042.50
20164	3411921340095	6212 JUNE AVE N	$336.03
20164	3311921440054	6212 REGENT AVE N	$299.11
20164	3311921430024	6212 SCOTT AVE N	$890.09
20164	3311921430092	6213 UNITY AVE N	$995.71
20164	3411921330065	6217 MAJOR AVE N	$749.87
20164	3611921340073	6218 DUPONT AVE N	$400.47
20164	3611921330001	6218 LILAC DR N	$130.00
20164	3411921330060	6218 MAJOR AVE N	$1,049.16
20164	3311921440027	6219 QUAIL AVE N	$1,125.76

20164	3611921340081	6220 BRYANT AVE N	$410.55
20164	3511921330052	6223 BROOKLYN DR	$1,568.30
20164	3411921330037	6224 LEE AVE N	$847.31
20164	3411921330059	6224 MAJOR AVE N	$937.83
20164	3611921340049	6225 BRYANT AVE N	$2,100.06
20164	3411921330036	6230 LEE AVE N	$1,048.30
20164	3611921340079	6234 BRYANT AVE N	$391.22
20164	3611921340061	6234 LILAC DR N	$472.85
20164	3411921430019	6236 CHOWEN AVE N	$164.61
20164	3411921330057	6236 MAJOR AVE N	$1,045.23
20164	3411921330061	6241 MAJOR AVE N	$817.91
20164	3411921330034	6242 LEE AVE N	$238.19
20164	3411921330066	6242 NOBLE AVE N	$202.86
20164	0111821130042	625 59TH AVE N	$1,108.11
20164	3511921330012	6264 BROOKLYN DR	$618.94
20164	3511921430007	6300 SHINGLE CREEK PKWY	$296.96
20164	3311921420116	6300 UNITY AVE N	$424.85
20164	3411921310047	6301 INDIANA AVE N	$236.53
20164	3311921420105	6301 UNITY AVE N	$1,402.90
20164	3411921310099	6306 INDIANA AVE N	$899.16
20164	3411921310046	6307 INDIANA AVE N	$1,136.35
20164	3411921310028	6309 GRIMES AVE N	$115.87
20164	3411921320086	6312 LEE AVE N	$757.22
20164	3311921410044	6313 ORCHARD AVE N	$1,183.85
20164	3411921310025	6318 GRIMES AVE N	$862.01
20164	3411921320071	6318 KYLE AVE N	$897.83
20164	3411921320087	6318 LEE AVE N	$223.58
20164	3511921320052	6319 BROOKLYN DR	$904.14
20164	3311921410077	6319 PERRY AVE N	$1,166.06
20164	3311921420029	6327 REGENT AVE N	$827.38
20164	3311921410060	6330 PERRY AVE N	$583.89
20164	3411921320062	6331 JUNE AVE N	$530.00
20164	3311921410075	6331 PERRY AVE N	$1,072.23
20164	3311921420071	6331 SCOTT AVE N	$1,365.70
20164	3311921420030	6333 REGENT AVE N	$1,450.48
20164	3611921320014	6336 FREMONT AVE N	$672.16
20164	3311921410015	6336 ORCHARD AVE N	$195.08
20164	3611921320002	6337 DUPONT AVE N	$905.53
20164	3411921310041	6337 INDIANA AVE N	$108.04
20164	3611921310019	6342 COLFAX AVE N	$154.30
20164	3611921310009	6343 COLFAX AVE N	$378.04
20164	3411921320076	6343 KYLE AVE N	$353.88
20164	3311921410120	6345 QUAIL AVE N	$757.99
20164	3311921410112	6400 REGENT AVE N	$302.27
20164	3411921320008	6401 LEE AVE N	$780.44
20164	3311921420045	6401 SCOTT AVE N	$631.81
20164	3611921310004	6406 COLFAX AVE N	$187.38

20164	3411921320101	6406 KYLE AVE N	$987.66
20164	3311921410018	6406 ORCHARD AVE N	$848.60
20164	3511921310013	6407 BROOKLYN DR	$925.52
20164	3611921320026	6407 EMERSON AVE N	$871.67
20164	3411921310072	6407 MARLIN DR	$669.71
20164	3311921410071	6407 PERRY AVE N	$1,029.65
20164	3311921420087	6412 UNITY AVE N	$365.81
20164	3611921320017	6413 DUPONT AVE N	$650.72
20164	3311921410006	6413 NOBLE AVE N	$182.14
20164	3311921420095	6413 UNITY AVE N	$187.32
20164	3611921320031	6418 FREMONT AVE N	$898.32
20164	3411921310091	6418 MARLIN DR	$274.52
20164	3311921410020	6418 ORCHARD AVE N	$959.87
20164	3411921320005	6419 LEE AVE N	$866.59
20164	3411921320104	6424 KYLE AVE N	$209.01
20164	3311921410021	6424 ORCHARD AVE N	$1,888.62
20164	3311921410108	6424 REGENT AVE N	$1,035.75
20164	3411921310035	6425 INDIANA AVE N	$301.98
20164	3611921310039	6430 DUPONT AVE N	$946.10
20164	3611921320036	6430 GIRARD AVE N	$280.35
20164	3611921320044	6430 HUMBOLDT AVE N	$927.32
20164	3411921310089	6430 MARLIN DR	$826.10
20164	3411921320019	6431 MAJOR AVE N	$1,069.28
20164	3311921410051	6436 PERRY AVE N	$656.17
20164	3411921320107	6442 KYLE AVE N	$1,060.43
20164	3611921320083	6443 EMERSON AVE N	$198.91
20164	3311921410001	6443 NOBLE AVE N	$932.18
20164	3311921140011	6500 ORCHARD AVE N	$514.07
20164	3611921240027	6506 BRYANT AVE N	$203.05
20164	3311921130014	6524 UNITY AVE N	$976.78
20164	3411921240023	6530 INDIANA AVE N	$728.58
20164	3411921130036	6533 DREW AVE N	$179.55
20164	3611921130140	6536 RIVERWOOD LA	$1,260.99
20164	3411921130060	6543 BEARD AVE N	$934.10
20164	3611921130105	6601 CAMDEN DR	$286.99
20164	3411921130014	6606 CHOWEN AVE N	$906.58
20164	3411921130093	6607 EWING AVE N	$763.55
20164	3411921240056	6607 FRANCE AVE N	$839.46
20164	3311921130074	6613 UNITY AVE N	$199.49
20164	3511921110061	6616 IRVING PL N	$931.23
20164	3611921240017	6620 BRYANT AVE N	$1,072.21
20164	3611921130096	6620 CAMDEN DR	$801.03
20164	3611921240016	6626 BRYANT AVE N	$1,312.58
20164	3511921230075	6633 XERXES PL N	$859.07
20164	3611921240052	6645 BRYANT AVE N	$936.63
20164	3511921110058	6704 IRVING PL N	$150.00
20164	3311921110102	6706 REGENT AVE N	$208.75

20164	3311921120079	6706 SCOTT AVE N	$242.94
20164	3311921110078	6707 QUAIL AVE N	$1,856.51
20164	3311921120087	6707 SCOTT AVE N	$135.91
20164	3511921110057	6708 IRVING PL N	$413.42
20164	3611921210041	6712 COLFAX AVE N	$205.90
20164	3311921110101	6712 REGENT AVE N	$724.86
20164	3311921120044	6712 TOLEDO AVE N	$921.12
20164	3311921120038	6713 TOLEDO AVE N	$1,031.73
20164	3411921210017	6714 GRIMES AVE N	$225.84
20164	3311921110058	6715 PERRY AVE N	$866.29
20164	3611921210093	6718 ALDRICH AVE N	$162.96
20164	3411921120019	6718 DREW AVE N	$742.90
20164	3611921220014	6719 DUPONT AVE N	$778.69
20164	3311921110076	6719 QUAIL AVE N	$943.95
20164	3411921120013	6724 EWING AVE N	$659.11
20164	3411921120012	6724 FRANCE AVE N	$347.65
20164	3611921120015	6724 WILLOW LA N	$1,039.02
20164	3611921210101	6725 CAMDEN AVE N	$446.09
20164	3311921120100	6725 REGENT AVE N	$960.07
20164	3411921120057	6730 EWING AVE N	$104.12
20164	3311921110047	6730 PERRY AVE N	$194.51
20164	3311921120075	6730 SCOTT AVE N	$306.97
20164	3311921120041	6730 TOLEDO AVE N	$550.44
20164	3611921220035	6733 EMERSON AVE N	$1,000.63
20164	3311921120040	6736 TOLEDO AVE N	$1,104.25
20164	3411921120047	6801 DREW AVE N	$1,180.51
20164	3311921120072	6801 SCOTT AVE N	$955.42
20164	3611921220077	6804 FREMONT PL N	$1,631.96
20164	3411921110038	6806 BEARD AVE N	$1,250.30
20164	3411921120069	6806 FRANCE AVE N	$1,255.57
20164	3411921110062	6806 ZENITH AVE N	$595.75
20164	3611921220008	6807 DUPONT AVE N	$929.33
20164	3611921210116	6811 COLFAX AVE N	$856.72
20164	3311921110013	6812 ORCHARD AVE N	$203.05
20164	3311921120062	6812 SCOTT AVE N	$524.00
20164	3611921220032	6813 EMERSON AVE N	$308.20
20164	3411921120065	6815 EWING AVE N	$242.94
20164	3611921210010	6816 BRYANT AVE N	$788.92
20164	3611921210031	6817 BRYANT AVE N	$954.23
20164	3411921120051	6818 EWING AVE N	$668.72
20164	3311921110062	6818 QUAIL AVE N	$598.60
20164	3611921220031	6819 EMERSON AVE N	$988.16
20164	3311921120014	6819 TOLEDO AVE N	$733.40
20164	3411921110068	6825 ZENITH AVE N	$1,062.85
20164	3311921110031	6830 PERRY AVE N	$245.79
20164	3611921220004	6831 DUPONT AVE N	$2,131.79
20164	3411921110015	6831 YORK PL	$285.63

20164	3611921220102	6835 FREMONT PL N	$188.80
20164	3311921110009	6836 ORCHARD AVE N	$958.96
20164	3611921210014	6839 COLFAX AVE N	$925.94
20164	3611921220101	6839 FREMONT PL N	$1,102.52
20164	3611921120011	6842 WEST RIVER RD	$213.46
20164	2811921430007	6901 REGENT AVE N	$203.05
20164	2811921430058	6901 UNITY AVE N	$835.37
20164	2811921440067	6906 REGENT AVE N	$1,230.97
20164	2811921430009	6906 SCOTT AVE N	$1,690.35
20164	2711921340064	6907 FRANCE AVE N	$968.39
20164	2611921430017	6907 MORGAN AVE N	$191.66
20164	2711921430062	6910 FRANCE AVE N	$1,051.88
20164	2611921430016	6913 MORGAN AVE N	$661.86
20164	2711921330042	6915 MAJOR AVE N	$1,002.72
20164	2711921340069	6918 GRIMES AVE N	$273.51
20164	2711921330032	6918 MAJOR AVE N	$936.59
20164	2811921430021	6918 TOLEDO AVE N	$140.66
20164	2811921430004	6919 REGENT AVE N	$232.37
20164	2711921330020	6920 LEE AVE N	$986.71
20164	2611921430026	6925 NEWTON AVE N	$803.00
20164	2811921430003	6925 REGENT AVE N	$68.64
20164	2711921330024	6927 LEE AVE N	$506.37
20164	2811921430065	6929 UNITY AVE N	$236.26
20164	2811921430041	6931 TOLEDO AVE N	$1,044.08
20164	2511921430025	6931 WILLOW LA N	$928.37
20164	2711921330039	6933 MAJOR AVE N	$1,010.98
20164	2711921430028	6936 EWING AVE N	$1,221.21
20164	2611921430066	6937 MORGAN AVE N	$498.11
20164	2711921430021	6943 DREW AVE N	$918.45
20164	2711921430093	6943 PALMER LAKE DR W	$990.44
20164	2711921340041	7000 HALIFAX AVE N	$670.27
20164	2611921440016	7000 KNOX AVE N	$185.96
20164	2511921330010	7001 DUPONT AVE N	$973.09
20164	2511921330033	7001 EMERSON AVE N	$900.14
20164	2611921430046	7001 LOGAN AVE N	$113.49
20164	2611921430064	7001 MORGAN AVE N	$184.64
20164	2811921440047	7001 QUAIL AVE N	$924.36
20164	2811921430075	7004 UNITY AVE N	$574.32
20164	2511921330009	7007 DUPONT AVE N	$912.10
20164	2711921430044	7007 EWING AVE N	$893.29
20164	2711921430032	7012 EWING AVE N	$965.88
20164	2611921430053	7012 MORGAN AVE N	$106.62
20164	2711921340028	7013 GRIMES AVE N	$283.04
20164	2611921440056	7018 IRVING AVE N	$989.62
20164	2611921440008	7018 LOGAN AVE N	$1,084.33
20164	2611921430054	7018 MORGAN AVE N	$1,123.10
20164	2711921430041	7025 EWING AVE N	$996.27

20164	2611921440063	7025 HUMBOLDT AVE N	$981.57
20164	2611921430074	7030 NEWTON AVE N	$694.04
20164	2511921330028	7031 EMERSON AVE N	$999.94
20164	2711921430014	7037 DREW AVE N	$1,002.75
20164	2811921440018	7037 PERRY AVE N	$1,391.47
20164	2711921330084	7038 BROOKLYN BLVD	$1,172.37
20164	2711921430001	7040 DREW AVE N	$212.29
20164	2711921430061	7042 FRANCE AVE N	$1,108.72
20164	2611921440004	7042 LOGAN AVE N	$999.11
20164	2811921440032	7042 QUAIL AVE N	$287.61
20164	2511921320093	7048 EMERSON AVE N	$918.26
20164	2511921320088	7049 EMERSON AVE N	$1,147.90
20164	2811921430141	7077 UNITY AVE N	$75.19
20164	0111821240082	710 58TH AVE N	$718.74
20164	2711921420022	7100 FRANCE AVE N	$188.81
20164	2711921310057	7100 GRIMES AVE N	$1,458.60
20164	2511921320064	7100 HUMBOLDT AVE N	$1,044.72
20164	2711921320017	7101 KYLE AVE N	$393.69
20164	2511921320063	7106 HUMBOLDT AVE N	$988.42
20164	2811921410191	7110 QUAIL CIR E	$1,026.81
20164	2711921320103	7112 JUNE AVE N	$185.96
20164	2711921310076	7113 HALIFAX AVE N	$96.83
20164	2511921320051	7118 GIRARD AVE N	$434.35
20164	2711921320013	7118 LEE AVE N	$1,883.54
20164	2611921420047	7118 NEWTON AVE N	$1,040.98
20164	2711921420016	7119 EWING AVE N	$652.50
20164	2611921410010	7121 KNOX AVE N	$1,059.02
20164	2811921420010	7121 UNITY AVE N	$197.35
20164	2511921320085	7124 FREMONT AVE N	$1,230.88
20164	2711921320036	7124 MAJOR AVE N	$185.96
20164	2711921320084	7125 KYLE AVE N	$214.45
20164	0111821240035	713 58TH AVE N	$912.70
20164	2811921420013	7133 UNITY AVE N	$191.66
20164	2611921420037	7137 MORGAN AVE N	$790.71
20164	2711921310064	7142 GRIMES AVE N	$200.20
20164	2811921420037	7176 UNITY AVE N	$925.58
20164	2511921310055	7200 DUPONT AVE N	$663.37
20164	2711921320048	7200 NOBLE AVE N	$1,060.46
20164	2711921310008	7201 FRANCE AVE N	$904.62
20164	2811921410091	7202 PERRY CT E	$824.62
20164	2511921320058	7204 HUMBOLDT AVE N	$1,026.93
20164	2511921320015	7205 FREMONT AVE N	$343.90
20164	2711921320049	7206 NOBLE AVE N	$1,203.75
20164	2511921320080	7207 EMERSON AVE N	$1,089.61
20164	2511921320031	7207 GIRARD AVE N	$1,030.37
20164	2711921410006	7207 PALMER LAKE DR W	$993.38
20164	2511921310040	7212 ALDRICH CT	$1,010.71

20164	2711921310011	7212 GRIMES AVE N	$322.29
20164	2711921320045	7213 MAJOR AVE N	$459.51
20164	2511921320014	7215 FREMONT AVE N	$230.00
20164	2711921320024	7215 LEE AVE N	$208.75
20164	2611921420012	7218 MORGAN AVE N	$459.00
20164	2711921310029	7224 HALIFAX AVE N	$185.75
20164	2611921420013	7224 MORGAN AVE N	$899.41
20164	2511921320027	7225 GIRARD AVE N	$661.08
20164	2711921310066	7225 HALIFAX AVE N	$820.76
20164	2711921320043	7225 MAJOR AVE N	$231.54
20164	2611921420072	7225 NEWTON AVE N	$257.14
20164	2511921420029	7226 DALLAS RD	$851.67
20164	2711921320005	7230 LEE AVE N	$750.15
20164	2711921320001	7230 NOBLE AVE N	$890.51
20164	2711921310019	7231 GRIMES AVE N	$1,148.63
20164	2511921320052	7234 HUMBOLDT AVE N	$446.52
20164	2511921310061	7236 DUPONT AVE N	$895.27
20164	2611921410105	7236 KNOX AVE N	$878.19
20164	2511921320075	7237 EMERSON AVE N	$194.50
20164	2511921410039	7237 WILLOW LA N	$91.32
20164	2811921410204	7240 BROOKLYN BLVD	$3,339.43
20164	2511921310045	7243 BRYANT AVE N	$109.56
20164	2611921410101	7243 KNOX AVE N	$809.78
20164	2511921310075	731 WOODBINE LA	$1,404.97
20164	3611921210114	811 69TH AVE N	$765.57
20164	2511921340003	816 69TH AVE N	$930.57
20164	0111821310084	827 57TH AVE N	$828.03
20164	2511921340010	857 70TH AVE N	$114.51
20164	2511921340009	861 70TH AVE N	$591.96
20164	2511921310022	906 WOODBINE LA	$616.54
20164	0111821310009	907 57TH AVE N	$464.60
20164	2511921310021	912 WOODBINE LA	$1,116.21
20164	0111821240051	921 58TH AVE N	$1,226.53
20164	1011821320070	PID 1011821320070 (NO ADDRESS)	$119.82
Total Number of Accounts: 830			**$554,027.05**

COUNCIL ITEM MEMORANDUM

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: N/A

FROM: Nate Reinhardt, Finance Director

SUBJECT: Resolution Setting a Public Hearing on Proposed Modifications to Utility Fee Schedules Related to Delinquent Utility Charges

Requested Council Action:

- Motion to set a public hearing for Monday, September 23, 2019 on proposed modifications to utility fee schedules related to delinquent utility charges.

Background:

At the July 8, 2019 City Council work session staff presented information on delinquent utility charges. At that work session, City Council requested that staff move forward with the following considerations that were presented at the work session:

1. Reduce quarterly delinquent charges on utility accounts from "Greater of $3.00 or 10% of unpaid balance" to "No additional charge".

    a. Utility customers would no longer be penalized for not being able to afford their current utility bill or for missing a utility payment deadline. The City would see a small reduction in costs and administrative time, as a result of eliminating penalty notices on utility costs. However, this would result in a reduction in City utility revenues as a result of no longer collecting delinquent charges.

2. Increase certification fee for collection with property taxes from "$30.00" to "$50.00".

    a. The certification process requires additional notices be mailed to property owners, public hearings, Hennepin County fees, and additional time to administer and track collections.

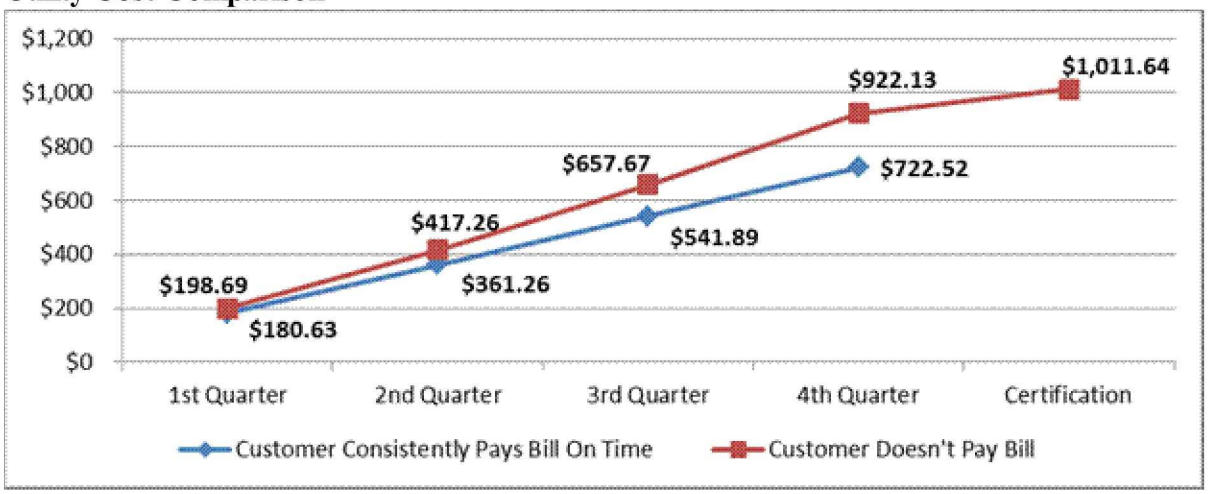
3. Modify the minimum outstanding balance owed for accounts to be entered into the certification process from $30.00 to an outstanding balance owed of $150.00.

    a. Currently for accounts to be certified they must owe a balance of at least $30.00 to the City. The amount is below a minimum residential quarterly bill of $130.36 and well below a typical residential quarterly bill. This change would decrease the amount of accounts that go to certification and allow accounts that might have missed one quarterly payment a chance to catch up.

The City of Brooklyn Center certifies approximately 650 (7.5%) of our customer utility accounts with the average certification balance of approximately $735. Based on analysis there are very few certified commercial/industrial accounts, over 98% of the accounts being certified are residential. Approximately 60% of the accounts being certified in the current year were also certified in the previous year.

The utility fee schedule currently includes a quarterly delinquent account charge of 10% of unpaid balance. The below chart shows the impact of these additional charges on a typical residential user:

Utility Cost Comparison



Additional charges included:

*1st quarter: $18.06 delinquent charge ($180.63 * 10%)*

*2nd quarter: $37.93 delinquent charge ($379.32 * 10%)*

*3rd quarter: $59.79 delinquent charge ($597.89 * 10%)*

*4th quarter: $83.83 delinquent charge ($838.30 * 10%)*

Certification: $30.00 certification fee, $59.51 special assessment interest

Delinquent charges are typically used as a method to collect and encourage timely payments and as a method to recoup any additional costs that would result from delinquent payments. However, the City has been successful in collecting delinquent payments through the special assessment certification process.

Cost impact considerations for delinquent accounts:

- The City does incur additional costs on delinquent accounts, this occurs as a result of penalty notices sent for delinquent accounts.
- The special assessment process does require additional administrative time (processing, publishing, collecting and reconciling).
- Accounts that are not paid on time, impact the timing of cash flow and investment earnings.

After reviewing these considerations, staff believes the delinquent charges being collected are much higher than the associated cost. Of the items above, the penalty notices only occur as a result of having a delinquent charge and the other two can be recovered through the appropriate special assessment certification fee and interest charge.

City Code sections 11.02 and 11.06 require a notice and hearing prior to the City Council setting new utility rates. The Public Hearing Notice will be published in the Brooklyn Center Post. A copy of the notice has been attached.

Budget Issues:

In 2018 across all utility funds the City collected a total amount of $296,661 in delinquent charges and $26,460 in certification fees for delinquent utility accounts. This is equivalent to 3% of $10.2 million in total utility charges. The biggest impact is on the water utility where $150,000 in delinquent charges are collected, which is

equivalent to 4.7% of total water utility charges. Modifications to delinquent charges would have an impact on the revenues collected and rates for these funds. It could be viewed that the delinquent charges are providing an equivalent subsidy in utility rates/charges to those that pay their utility bills on time.

The proposed rates would become effective on October 1, 2019.

Strategic Priorities and Values:

Resident Economic Stability

ATTACHMENTS:

Description	Upload Date	Type
Notice of Proposed Hearing	8/6/2019	Backup Material

CITY OF BROOKLYN CENTER
NOTICE OF PUBLIC HEARING ON PROPOSED MODIFICATIONS TO UTILITY FEE SCHEDULES RELATED TO DELINQUENT UTILITY CHARGES

Notice is hereby given that the City Council of the City of Brooklyn Center, Minnesota, will meet in the Council Chambers of Brooklyn Center City Hall at 6301 Shingle Creek Parkway, on Monday, September 23, 2019 at 7 p.m. regarding proposed modifications to utility fee schedules related to delinquent utility charges.

These proposed fee schedules are now on file at City Hall and open to public inspection. Written or oral comments to the proposed rates will be considered at this meeting.

Auxiliary aids for persons with disabilities are available upon request at least 96 hours (4 days) in advance of the hearing. Please contact the City Clerk at 763-569-3300 to make arrangements.

_____

Barb Suciu, City Clerk
By order of the City Council

Published in the Brooklyn Center Post on August ____, 2019.

COUNCIL ITEM MEMORANDUM

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: Doran Cote, Public Works Director

FROM: Cynthia Majors, Public Works Administrative Technician

SUBJECT: Resolution Declaring a Public Nuisance and Ordering the Removal of Dead Trees at Certain Properties in Brooklyn Center, Minnesota

Requested Council Action:

- Motion to approve a resolution Declaring a Public Nuisance and Ordering the Removal of Dead Trees for Certain Properties as listed in the resolution.

Background:

The attached resolution represents the official City Council action required to expedite removal of dead trees that were recently marked by the City Forester and have become a public safety issue due to being a hazard. The removal of dead trees is defined in City Ordinance Chapter 20-202 and 19-101 through 19-106.

Property owners are given the opportunity to remove the dead tree on their own or enter into an agreement to allow the City to remove the dead tree. A minimal administrative charge of $50 is applied to the costs associated with the tree removal when an agreement with the property owner is executed.

If the owner does not respond within ten (10) days, they are provided with a second notice notifying them of the City Council meeting where the dead tree is declared a public nuisance. If the property owner does not correct the violation or enter into an agreement, the City will remove the dead tree. A minimum administrative abatement service charge of $150 will be imposed based on the cost of the abatement.

Budget Issues:

The cost of removal of dead trees located on private property is the responsibility of the respective property owner, and if unpaid, is specially assessed to the property.

Strategic Priorities and Values:

Enhanced Community Image

ATTACHMENTS:

Description	Upload Date	Type
Resolution	8/7/2019	Cover Memo

Member introduced the following resolution and moved its adoption:

RESOLUTION NO._____

RESOLUTION DECLARING A PUBLIC NUISANCE AND ORDERING THE REMOVAL OF DEAD TREES AT CERTAIN PROPERTIES IN BROOKLYN CENTER, MINNESOTA

WHEREAS, Brooklyn Center City Code Section 20-202 AND 19-101, declares any dead tree a public nuisance and provides for abatement by the City if not corrected by the property owner; and;

WHEREAS, removal of dead trees and abatement of the public nuisances is necessary to prevent the hazard and to protect the safety of the public in neighborhoods; and

WHEREAS, a Notice to Abate Nuisance and a Dead Tree Removal Agreement has been issued to the owners of certain properties in the City allowing the owners ten (10) days to remove dead trees on the owners' property; and

WHEREAS, the City can expedite the removal of these dead tree(s) by declaring them a public nuisance.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brooklyn Center, Minnesota, that:

1. The dead tree(s) at the following address is hereby declared to be a public nuisance.

Property Address	Tree Type	Tree Number
4019 Joyce Ln	Poplar	118, 119, 120, 121

2. After ten (10) days from the date of the initial notice, the property owner(s) was notified of the City Council action regarding the determination by the City Council declaring the dead trees a public nuisance.

3. The property owner(s) will receive a final written notice providing five (5) business days in which to contest the determination of the City Council by requesting, in writing, a hearing. Said request shall be filed with the City Clerk.

4. After five (5) days, if the property owner fails to request a hearing, the tree(s) shall be removed by the City. The cost of abatement shall be recorded and become the personal responsibility of the owner of record. If unpaid, the costs shall be specially assessed to the property in accordance with City codes and Minnesota Statutes Chapter 429.

RESOLUTION NO._____

_____ _____

Date Mayor

ATTEST: _____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by member

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:
whereupon said resolution was declared duly passed and adopted.

COUNCIL ITEM MEMORANDUM

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: Meg Beekman, Community Development Director

FROM: Ginny McIntosh, City Planner / Zoning Administrator

SUBJECT: Public Hearing of an Ordinance Authorizing a Study and Placing a Moratorium on Development of Properties within the Opportunity Site

Requested Council Action:

- *Motion to open public hearing, take public input, and close the public hearing*

- *Motion to approve a second reading and adopt an Interim Ordinance authorizing a study and placing a moratorium on the development of properties within the Opportunity Site, and approve a summarized version of the ordinance for publication.*

Background:

In early 2019, the City began working with a consultant team to update the 2006 Opportunity Site Master Plan. The scope of that work is anticipated to include a new master plan for the area as well as new regulatory requirements to assist with implementing the plan. The full scope of work is planned to be completed by mid-2020.

The Opportunity Site comprises approximately 81-acres of land, of which the City owns approximately 35 acres. The City entered into a master development agreement with Alatus in April 2018, and renewed the agreement in April 2019. The City and the master developer are working together to plan for the redevelopment of the 81-acre area, which would include the creation of a mixed-use downtown center for the City. The redevelopment is anticipated to include a significant amount of housing, along with open space, new roads, regional stormwater facilities, parks, trails, and mix of retail and commercial uses.

The adoption of an interim ordinance authorizing a study and placing a moratorium over the 81-acre site will allow time for the City to complete the master plan and adopt any regulatory changes needed to ensure development of the area is consistent with the plan. If a study and moratorium is not placed on the properties within the Opportunity Site, those properties have the potential to be developed in a manner which is inconsistent with the City's plan for the adjacent EDA-owned properties, which could have extended negative effect on the area.

The City Council chose to approve the first reading of the proposed ordinance at their meeting on July 22, 2019, and scheduled a second reading and public hearing for the regular City Council meeting on August 12, 2019. Notice of the public hearing was published in the newspaper and mailed to each individual property owner, along with a letter of explanation.

Upon adoption of the interim ordinance and moratorium, City Staff will continue the master planning efforts, including conducting a study of the area to determine what the future zoning of the property ought to be. Recommendations from the study will be shared with the City Council upon completion of the study process.

This area was identified in the City's 2040 Comprehensive Plan as an area which requires additional focused planning efforts.

The City Council has the ability to select the length of time for the moratorium to be placed on the property. The moratorium can be legally placed on a property for no more than 12 months per Minnesota State Statute 462.355 subdivision 4d. Staff is recommending a duration of 12 months to provide enough time to complete a land use and zoning study for the site. The City Council has the ability to repeal the moratorium prior to the deadline if the study is completed and it is determined that no change in future land use or zoning is required. During that time the City would place a moratorium on the acceptance of land use applications related to the reuse of property, the expansion of existing buildings, or the construction of new buildings.

The moratorium would not apply to permits or approvals related to maintaining, repairing, or improving without expanding existing buildings. It would also not apply to the use of buildings that are allowed by the underlying zoning and do not require permits or land use approvals from the City.

Budget Issues:

None to consider at this time.

Strategic Priorities and Values:

Targeted Redevelopment

ATTACHMENTS:

Description	Upload Date	Type
Opportunity Site Location Map	8/6/2019	Exhibit
An Interim Ordinance Authorizing a Study and Placing a Moratorium on the Development of Properties with the Opportunity Site	8/6/2019	Ordinance

VALUES & SALES DATA

MINNESOTA SCHOOL of BUSINESS
5910 Shingle Creek Pkwy.
2013 VAL: $1,410,000
SALE: $2,800,000 (2/1/13)

JANI-KING
5930 Shingle Creek Pkwy.
2013 VAL: $897,000
SALE: $850,000 (7/1/04)

FORMER AUDIO KING
5939 John Martin Dr.
2013 VAL: $1,025,000
SALE: $1,525,000 (1/31/06)

NEW KING/TIRES PLUS
5927 John Martin Dr.
2013 VAL: $1,050,000
SALE: $1,138,888 (2/12/07)

FORMER PERKINS
5915 John Martin Dr.
2013 VAL: $593,000
SALE: N/A

HEALTH PARTNERS DENTAL CLINIC
5901 John Martin Dr.
2013 VAL: $920,000
SALE: $345,000 (4/1/90)

FORMER K-MART
(Dollar Tree/Slumberland/Big Lots)
5930 Earle Brown Dr.
2013 VAL: $2,400,000
SALE: N/A

SUMMIT

JANI-KING
5930 Shingle Creek Pkwy.
1.84 Ac.

FORMER AUDIO KING
5939 John Martin Dr.
1.6 Ac.

JOHN MARTIN

NEW KING/TIRES PLUS
5927 John Martin Dr.
1.35 Ac.

FORMER PERKINS
5915 John Martin Dr.
1.18 Ac.

EARLE BROWN

MN SCHOOL of BUSINESS
5910 Shingle Creek Pkwy.
8 Ac.

HEALTH PARTNERS DENTAL CLINIC
5901 John Martin Dr.
1.15 Ac.

FORMER K-MART
(Dollar Tree/Slumberland/Big Lots)
5930 Earle Brown Dr.
11.89 Ac.

BROOKDALE SQUARE MALL
5900 Shingle Creek Pkwy.
23.2 Ac.

SHINGLE CREEK PKWY

BROOKDALE FORD SITE
2500 County Rd 10
8.62 Ac.

HIGHWAY 100

LOGAN

BASS LAKE RD

City of Brooklyn Center
Opportunity Site

0 95 190 380 570 760 Feet

N W E S

CITY OF BROOKLYN CENTER

Notice is hereby given that a public hearing will be held on the ____ day of _____, 2019, at 7:00 p.m. or as soon thereafter as the matter may be heard at City Hall, 6301 Shingle Creek Parkway, to consider an interim ordinance placing a moratorium on development with the Opportunity Site.

Auxiliary aids for handicapped persons are available upon request at least 96 hours in advance. Please contact the City Clerk at 763-569-3300 to make arrangements.

ORDINANCE NO. _____

AN INTERIM ORDINANCE AUTHORIZING A STUDY AND PLACING A MORATORIUM ON THE DEVELOPMENT OF PROPERTIES WITH THE OPPORTUNITY SITE

THE CITY COUNCIL OF THE CITY OF BROOKLYN CENTER DOES ORDAIN AS FOLLOWS:

Section 1. Legislative Findings. The City Council of the City of Brooklyn Center ("City") hereby finds and determines as follows:

1.01. The City Council has the authority under Minnesota Statutes, section 462.355, subdivision 4 to adopt an interim ordinance "applicable to all or part of its jurisdiction" to "regulate, restrict, or prohibit any use, development, or subdivision" within the City if it has authorized a study to be conducted or has scheduled a hearing for the purpose of considering an amendment to its comprehensive plan or official controls.

1.02. The adoption of an interim ordinance does not require a public hearing, but the City may elect to utilize its standard ordinance adoption process to adopt an interim ordinance if it so chooses.

1.03. An approximately 81-acre area within the City known as the Opportunity Site, the boundaries of which are shown on the map attached hereto as Exhibit A, ("Opportunity Site") contains several parcels, some of which are owned by the City's Economic Development Authority and others are held privately.

1.04. The City hired a consultant and has for several months engaged in a master planning process for the Opportunity Site.

1.05. Developing a master plan for the Opportunity Site is a substantial undertaking for the City and one that can be significantly undermined by owners developing their property within the Opportunity Site in a way that is contrary to the guidance for the area developed as part of the master plan.

1.06. The City is at the point in the master planning process where it will begin seeking public input on the draft plan and so a moratorium is needed on development within the Opportunity Site to protect the planning process and avoid the long-lasting negative impacts that could result from development occurring that is contrary to the guidance established as part of the master plan.

1.07. The City Council determines that adopting an interim ordinance to place a moratorium on development within the Opportunity Site will give the City the opportunity to continue to study the appropriate types of uses to allow in the Opportunity Site, complete and adopt the master plan, and to draft and adopt any needed amendments to the City Code to implement the master plan.

Section 2. Study Authorized. The City Council hereby authorizes City staff, as directed by the City Manager, to conduct, as part of the master planning process, a study of the current planning and zoning for the Opportunity Site, determine how property within the area should be guided for the future including, but not limited to, the uses that should be allowed in the area, and to develop and recommend for consideration and adoption by the City Council a final master plan and amendments to the City Code related to the Opportunity Site.

Section 3. Moratorium. To ensure that no new development occurs in the Opportunity Site that might be inconsistent with the master plan being developed for the area, the City hereby imposes, for the term of this interim ordinance, a moratorium on the acceptance, processing, or issuance of any development applications or approvals including, but not limited to, preliminary plats, subdivisions, rezonings, variances, conditional use permits, site plans, planned unit developments, and permits for the construction or expansion of any building within the Opportunity Site. During the period of the moratorium, no new building may be constructed, and no existing building may be expanded, within the Opportunity Site.

Section 4. Exceptions. The moratorium imposed by this interim ordinance shall not apply to any of the following:

(1) Applications for permits or approvals that seek only to maintain, repair, or improve, without expanding, an existing building within the Opportunity Site; or

(2) The issuance of building permits for any development or project that received all required City Council approvals prior to the effective date of this Ordinance.

Section IV. Effective Date and Term. This interim ordinance shall go into effect 30 days after the second reading and final adoption, and shall remain in effect for 12 months, or upon the adoption of the master plan and the effective date of an ordinance amending the City Code to specifically address development within the Opportunity Site. The City Council may also act by resolution to terminate this interim ordinance prior to the expiration of the term established herein.

Section V. Enforcement. The City may enforce this interim ordinance by mandamus, injunction or any other appropriate civil or criminal remedy in any court of competent jurisdiction.

Section VI. Separability. Every section, provision or part of this interim ordinance is declared separable from every other section, provision or part of this ordinance. If any section, provision or part of this interim ordinance is held to be invalid by a court of competent jurisdiction, such judgment shall not invalidate any other section, provision, or part of this interim ordinance.

Adopted this ___ day of _____, 2019.

_____
Mike Elliott, Mayor

ATTEST: _____
City Clerk

Date of Publication _____

Effective Date _____

(~~Strikeout~~ indicates matter to be deleted, double underline indicates new matter.)

COUNCIL ITEM MEMORANDUM

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: Meg Beekman, Community Development Director

FROM: Ginny McIntosh, City Planner / Zoning Administrator

SUBJECT: An Ordinance Amending Chapter 35 of the City Code of Ordinances Regarding the Zoning Classification at 5300 Dupont Avenue North (Christy's Automotive)

Requested Council Action:

- *Motion to open public hearing, take public input, and close the public hearing*
- *Motion to approve the Second Reading, adopt an ordinance amending Chapter 35 of the Zoning Code of Ordinances regarding the zoning classification of 5300 Dupont Avenue North (Christy's Automotive), and approve a summarized version of the ordinance for publication.*

Background:

Lori and James Dean ("The Applicants") submitted an application, requesting approval for a site and building plan to construct an addition on the rear portion of the building located at 5300 Dupont Avenue North ("Subject Property"), which would allow for an additional office, bathroom, and indoor storage space.

As the Subject Property is currently a legal nonconforming use, and does not allow for any expansion to the structure per Section 35-111 (*Nonconforming Uses*), the Applicants made additional requests to re-zone the property from R2 (*Two Family Residence*) District to C2 (*Commerce*) District, and approval of a Special Use Permit to continue operation of an automotive repair shop.

City Council approved the aforementioned requests to construct an addition on the north side of the existing shop, located on the Subject Property, and issuance of a Special Use Permit at their regular meeting on July 22, 2019; however, the Charter requires that a request to re-zone a property requires a second reading, which requires a public hearing be held to formally amend Chapter 35 of the City Code of Ordinances to reflect the re-zoning.

The City Council approved the first reading of the ordinance to re-zone the Subject Property at their regular meeting on July 22, 2019, and scheduled the second reading and public hearing for the ordinance amendment for August 12, 2019.

In reviewing the request, City staff determined that, as the associated business on-site, Christy's Automotive, has operated at the location of the Subject Property since at least 1944, was previously zoned "B3 General Business District" up until sometime before 1972, before being re-zoned to R2 (Two Family Residence) District for reasons unknown, and as the City's 2040 and 2030 Comprehensive Plans both outline the Subject Property for a commercial type land use, there is merit to re-zoning the Subject Property from R2 to C2 (Commerce) District.

Budget Issues:

None to consider at this time.

Strategic Priorities and Values:

Targeted Redevelopment

ATTACHMENTS:

Description	Upload Date	Type
An Ordinance Amending Chapter 35 of the City Code of Ordinances Regarding the Zoning Classification of Certain Land Generally Located in the Southeast Section of the City, Generally Situated between 53rd Avenue North to the South, 55th Avenue North to the	8/6/2019	Ordinance
PC Staff Report and Exhibits - 5300 Dupont Avenue North (Christy's Automotive)	8/6/2019	Backup Material

CITY OF BROOKLYN CENTER

Notice is hereby given that a public hearing will be held on the 12th day of August, 2019, at 7:00 p.m. or as soon thereafter as the matter may be heard at City Hall, 6301 Shingle Creek Parkway, to consider an Ordinance amending Chapter 35 of the City Ordinances regarding the zoning classification of certain land, generally located in the southeast section of the City, generally situated between 53rd Avenue North to the South, 55th Avenue North to the North, Colfax Avenue North to the East, and Dupont Avenue North to the West, and locally identified as 5300 Dupont Avenue North.

Auxiliary aids for handicapped persons are available upon request at least 96 hours in advance. Please notify the City Clerk at 763-569-3306 to make arrangements.

ORDINANCE NO. 2019-__

AN ORDINANCE AMENDING CHAPTER 35 OF THE CITY CODE OF ORDINANCES REGARDING THE ZONING CLASSIFICATION OF CERTAIN LAND GENERALLY LOCATED IN THE SOUTHEAST SECTION OF THE CITY, GENERALLY SITUATED BETWEEN 53RD AVENUE NORTH TO THE SOUTH, 55TH AVENUE NORTH TO THE NORTH, COLFAX AVENUE NORTH TO THE EAST, AND DUPONT AVENUE NORTH TO THE WEST, AND LOCALLY IDENTIFIED AS 5300 DUPONT AVENUE NORTH

THE CITY COUNCIL OF THE CITY OF BROOKLYN CENTER DOES ORDAIN AS FOLLOWS:

Section 1. Chapter 35 of the City Ordinances of the City of Brooklyn Center is hereby amended in the following manner:

Section 35-1190. COMMERCE DISTRICT (C2). The following property is hereby established as being within a (C2) Commerce District Zoning Classification:

Lot 11, Block 4, Bellvue Acres Addition.

Section 2. This ordinance shall become effective after adoption and upon thirty days following its legal publication.

Adopted this _____ day of _____, 2019.

_____
Mayor

ATTEST:_____
City Clerk

Date of Publication _____

Effective Date _____

(Note: (~~Strikeout~~ text indicates matter to be delete, while underline indicates new matter.

Planning Commission Report
Meeting Date: July 11, 2019

- Application Filed: 6/11/2019
- Review Period (60-day) Deadline: 08/10/2019
- Extension Declared: N/A
- Extended Review Period Deadline: N/A

Application No.	2019-010
Applicants:	Lori and James Dean (Boulevard Holdings, LLC)
Location:	5300 Dupont Avenue North (PID: 01-118-21-34-0085)
Requests:	(1) Rezoning, (2) Special Use Permit, and (3) Site & Building Plan Approval

REQUESTED ACTION

Lori and James Dean ("The Applicants") are requesting approval for a site and building plan to construct an addition on the rear portion of the building located at 5300 Dupont Avenue North ("Subject Property"), which would allow for additional office and storage space (Exhibit A). Currently, additional materials are being stored in two trailers where the proposed addition would be located. These trailers are attached by way of a loading dock to the back of the building.

The Subject Property is currently a legal nonconforming use, and does not allow for any expansion to the structure per Section 35-111 (*Nonconforming Uses*). In order to accommodate the request, the property would need to be re-zoned from its current designation of R2 (Two Family Residence) District to C2 (Commerce) District. Given that the Subject Property has been home to a motor vehicle repair shop at this location for at least 75 years, this type of use would require issuance of a Special Use Permit.

BACKGROUND

The current structure where the business is located was originally built in 1944 on a 0.43 acre lot, and has been continuously operated as an automotive service center in the Bellvue neighborhood for over 75 years.



Map 1. *Aerial of Subject Property (2018 Hennepin County Imagery).*

As part of the application for re-zoning, a public hearing notice was duly published in the Brooklyn Center *Sun Post* on June 27, 2019 (Exhibit B), and notices were mailed to adjacent property owners. As of the date of this report, the City has not received any comments from the public about this proposal.

It should be noted that the public notice published outlined a re-zoning of the Subject Property from an R2 (Two Family Residence) District property to a **C1 (Service/Office)** District property. Following additional review by City staff, it was determined that the Subject Property should be re-zoned to a C2 (Commerce) District property, which requires issuance of a Special Use Permit. Additional analysis on the Special Use Permit can be found later in the staff report.

SITE DATA

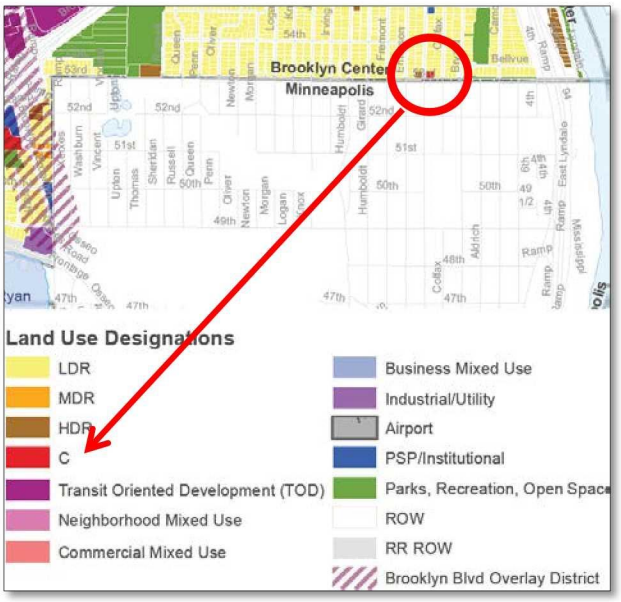
2040 Land Use Plan:	Commercial
Neighborhood:	Bellvue
Current Zoning:	R2 (Two Family Residence) District
Site Area:	0.43 acres

Surrounding Area

Direction	2040 Land Use Plan	Zoning	Existing Land Use
North	Low-Density Residential	R2 (One and Two Family Residence)	SF Detached
South	Low-Density Residential	One Family Residence (Minneapolis)	SF Detached (Minneapolis)
East	Low-Density Residential	R2 (One and Two Family Residence)	SF Detached
West	Low-Density Residential and High-Density Residential	R2 (One and Two Family Residence) and R4 (Multiple Family Residence)	SF Detached and Apartments

COMPREHENSIVE PLAN

The Applicants' proposal is consistent with the goals outlined in City's draft of the 2040 Comprehensive Plan ("The Plan"), which lists the Subject Property's projected future land use as "Commercial" (Refer to Map 2 below). During the public engagement process for the 2040 Comprehensive Plan, residents requested that more local services, restaurants, and retail opportunities be established within neighborhood locations. One of the goals outlined in the Land Use & Redevelopment Chapter of The Plan calls for the City to, "enhance and maintain existing neighborhoods through proper land use designations and clear supportive zoning that makes reinvestment and rehabilitation easy for residents." The 2030 Plan also denoted a commercial type land use for the Subject Property.

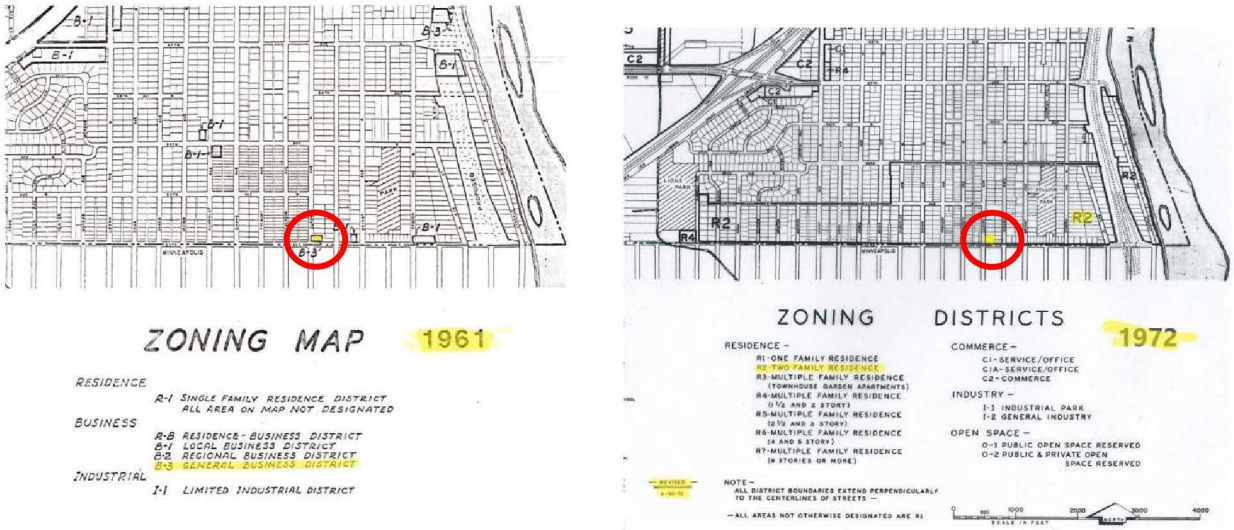


Map 2. *Subject Property with Commercial Land Use Designation (2040 Brooklyn Center Comprehensive Plan).*

REZONING

Under Section 35-111 (*Nonconforming Uses*) of the City Code, the continued use of any nonconforming building existing at the time of adoption of the City ordinance is permitted as long as the nonconforming use is not enlarged or increased or occupy a greater area of land. The current proposal would expand the existing building by approximately 975 square feet to incorporate an addition to the structure that would allow for the indoor storage of materials that are currently being stored outside in trailers and within a fenced area, allow for an office expansion, and install a new bathroom.

According to City records, a 1961 zoning map retrieved from City archives indicates that the Subject Property was previously zoned as a commercial property (B3-General Business District). However; a zoning map from 1972 indicates that the property was re-zoned to an R2 (Two Family Residence) District property in the intervening period (Refer to Map 3 below). As archived records from that era are incomplete, staff was unable to find documentation as to the rationale for the zoning change.



Map 3. *Subject Property with B-3 Zoning Designation (1961 Zoning Map) and R2 Zoning Designation (1972 Zoning Map).*

It is the policy of the City that:

a) Zoning classifications must be consistent with the Comprehensive Plan, and
b) Rezoning proposals shall not constitute "spot zoning," defined as a zoning decision which discriminates in favor of a particular landowner, and does not relate to the Comprehensive Plan or to accepted planning principles.

The City Zoning Code also stipulates that the requested zoning change address the following guidelines (*responses from City staff are italicized*) per Section 35-208 (*Rezoning Evaluation Policy and Review Guidelines*):

a. Is there a clear and public need or benefit?

The Subject Property currently provides services to the immediate neighborhood and vicinity as an auto repair shop. The existence of Christy's Auto Service (Subject Property) provides residents and other customers with a locally-owned shop and service in a residential neighborhood that has not changed much from when it was originally opened at this location 75 years ago in what was then the Village of Brooklyn Center. The business itself is over 80 years old.

During the engagement process for the 2040 Comprehensive Plan, residents noted a desire for local service options within the City, rather than having to leave the City limits for their day-to-day needs.

b. Is the proposed zoning consistent with and compatible with surrounding use classifications?

The proposed zoning would result in the Subject Property being the only C2 (Commerce) District zoned property in the nearby vicinity; however, this particular property has a long-standing history in the Bellvue neighborhood and per previous zoning maps on record, was previously zoned "B-3 General Business District" up until around 1972, when the zoning of the entire area covering the majority of Russell Avenue North to Interstate 94 and 53rd Avenue North (Minneapolis border) to 55th Avenue North was re-zoned to "R2 Two Family Residence" District.

These changes also resulted in the rezoning of six other properties to the R2 District. City staff reviewed Planning Commission and City Council records on file but were unable to identify the reasoning for these re-zonings. With the exception of the Subject Property, all other properties were either developed into residential properties (both R2 (Two Family Residence) and R4 (Multiple Family Residence) Districts) or are currently being used for pedestrian and bicycle paths.

c. Can all permitted uses in the proposed zoning district be contemplated for development of the Subject Property?

There are no plans to redevelop the Subject Property at this time. The requested re-zoning is to allow for improvements to be made on the Subject Property. As the Subject Property is non-conforming, these improvements cannot be made without approval of a re-zoning and the related issuance of a Special Use Permit.

Based on a review of permitted uses allowed in the C2 (Commerce) District, as identified in

Section 35-322 (C2 Commerce District) of the City Code, the Zoning Code would allow for only select types of uses on the Subject Property due to the overall size of the Subject Property at only 0.43 acres in size, and general site constraints. The Subject Property would, however, allow for certain neighborhood serving uses, such as restaurants and coffee shops, retailers of merchandise, repair shops, drop-in child care centers, medical and dental laboratories, and contractor offices. Certain other C2 District uses, such as hospitals and nursing homes, would find the site too constraining as a standalone site.

d. Have there been substantial physical or zoning classification changes in the area since the subject property was zoned?

The surrounding neighborhood is primarily residential, consisting of residential homes on smaller lots, with some R4 District-zoned apartment buildings and churches located on corners in the vicinity of the Subject Property. This area of Brooklyn Center (Bellvue Neighborhood), in relation to the rest of Brooklyn Center, was primarily developed earlier than other parts of the City, as it straddles the northern border of the City of Minneapolis.

The Subject Property itself, in reviewing historic aerial imagery and photography, has overwhelmingly remained the same, aesthetically. Please refer to Images 1 and 2 on page 8 of the report for comparison.

e. In the case of City-initiated rezoning proposals, is there a broad public purpose evident?

Not applicable. This is not a City-initiated rezoning proposal. The Applicants have made a request to rezone the Subject Property in order to conduct improvements to the property.

f. Will the Subject Property bear fully the ordinance development restrictions for the proposed zoning districts?

Staff believes the new zoning designation for the Subject Property is specific only to proposed continuation of the business located on the Subject Property at 5300 Dupont Avenue North. Although there are certain non-conformities, such as the building's setbacks, the proposed associated improvements would result in no greater non-conformities than are already in existence. City staff has requested that the Applicant address certain outstanding issues with the site as part of any Site and Building Plan approval, including the re-striping of the parking lot, and construction of a trash enclosure.

The building has been in existence since at least 1944, and the new addition should be easily accommodated on the site as it will fall within the existing building envelope.

g. Is the Subject Property generally unsuited for uses permitted in the present zoning district, with respect to size, configuration, topography, or location?

Yes, as this type of use is not permitted in an R2 (Two Family Residence) District. That said, the Subject Property and its related business appear to have successfully functioned in the same location since 1944. The associated request to build an approximately 975-square foot addition on to the back of the building would not expand outside the building's existing outer footprint.

The Subject Property's location on a corner also provides greater access via two drives for cars to be serviced. The Site and Building Plan request (below) is not to address configuration issues, but rather to provide more permanent interior storage and office expansion upgrades.

h. Will the rezoning result in the expansion of a zoning district, warranted by:

1) **Comprehensive Planning;**
2) **The lack of developable land in the proposed zoning district; or**
3) **The best interests of the community?**

The 2040 Comprehensive Plan outlines the Subject Property's future land use as "Commercial," and serves as a continuation to the 2030 Comprehensive Plan's belief that the Subject Property is intended for a commercial type use. Although the City is overwhelmingly built out, this is a longstanding business seeking to remain in the same location it has been for the past 75 years. By keeping the associated Christy's Auto Service on the Subject Property, this addresses a need outlined by residents during the 2040 Comprehensive Plan community engagement process to provide for, protect, and promote locally owned businesses here in the City.

i. Does the proposal demonstrate merit beyond the interests of an owner or owners of an individual parcel?

Yes. The request by the Applicants are not to bring a new business to a residential neighborhood, but rather to keep an existing business at its current location and allow for improvements to be made to the Subject Property. By removing the existing trailers from the loading dock on the back of the building and constructing a true brick and mortar addition, the Applicants are investing in the City of Brooklyn Center and the surrounding neighborhood, and addressing potential code issues, as per Section 35-412 (Special Requirements in C2 Districts), outside storage in trailers is not permitted.

Based on the above-noted findings of fact contained in this report, City staff recommends the Planning Commission recommend City Council approval of the requested re-zoning of the Subject Property located at 5300 Dupont Avenue North from R2 (Two Family Residence) District to C2 (Commerce) District.

SPECIAL USE PERMIT

In order to accommodate the Applicants' request to construct an approximately 975-square foot addition onto the north side of their existing building, the Subject Property needs to be re-zoned. As the request would require a re-zoning to C2 (Commerce) District and the existing use of the Subject Property is for motor vehicle repair, a Special Use Permit is now required.

It should be noted that, to City staff knowledge, the Subject Property has never been in possession of a Special Use Permit as the existing Christy's Auto Service business located on the Subject Property has been in existence since before Brooklyn Center was a city. As the motor vehicle repair business is a "non-conforming use" and as the Applicants wish to invest in their property by constructing an approximately 975-square foot addition, the issuance of a Special Use Permit is tied to the request to re-zone the property to C2 (Commerce) District.

According to Section 35-220 (*Special Use Permits*) of the City's Zoning Ordinance,

"Special uses are those which may be required for the public welfare in a given district but which are, in some respects, incompatible with the permitted uses in the district. Before a building or premises is devoted to any use classified as a special use by this ordinance, a special use permit must be granted by the City Council."

Section 35-322 (*C2 Commerce District*) notes that "Gasoline service stations (see section 35-414), **motor vehicle repair** and auto washes, ***provided they do not abut*** an R1, **R2**, or **R4** district, including abutment at a street line" and "The sale or vending at gasoline service stations of items other than fuels, lubricants or automotive parts and accessories (and other than the vending of soft drinks, candy, cigarettes and other incidental items for the convenience of customers within the principal building) provided adequate parking is available consistent with the Section 35-704, 2 (b) and 2 (c)," are permitted in the C2 (Commerce) District by Special Use only.

This particular property features a set of unique circumstances in that, under the current Zoning Ordinance, the associated business (Christy's Auto Service) would not be allowed in its location today as it is adjacent to R2 (Two Family Residence) and R4 (Multiple Family Residence) District-zoned properties.

It should be noted that the Subject Property was developed prior to any of the properties immediately surrounding it, with the exception of a residential home located kitty-corner to the Subject Property on the Minneapolis side of 53rd Avenue North, which was constructed in 1926. Hennepin County records notes a build date of 1944 for the Subject Property located at 5300 Dupont Avenue North, whereas the surrounding residential properties were all developed between 1947 and 1960.

Per the *Standards of Special Use Permits*, a Special Use Permit may be granted by the City Council after demonstration by evidence that all of the following are met:

1. **The establishment, maintenance, or operation of the special use will promote and enhance the general public welfare and will not be detrimental to or endanger the public health, safety, morals, or comfort.**

2. **The special use will not be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted, nor substantially diminish and impair property values within the neighborhood.**

3. **The establishment of the special use will not impede the normal and orderly development and improvement of surrounding property for uses permitted in the district.**

4. **Adequate measurements have been or will be taken to provide ingress, egress, and parking so designed as to minimize traffic congestion in the public streets.**

5. **The special use shall, in all other respects, conform to the applicable regulations of the district in which it is located.**

There are no plans by the Applicants/Property Owners to alter the use of the existing building and associated business with the exception of constructing an approximately 975-square foot addition onto the north side of the building for indoor storage of materials and supplies, an expanded office space, and a bathroom. The Applicants have indicated no plans to alter any of the existing ingress, egress, or parking, with the exception of a City staff request to stripe the parking lot to comply with City Code

requirements. While Section 35-412 (*Special Requirements in C2 Districts*) dictates that any storage, such as the storage of vehicles, take place within an enclosed building or behind an opaque fence high enough to completely screen anything beyond it, City staff visited the Subject Property and determined that a fence would not be required so long as any vehicles receiving service are parked in an orderly fashion in marked spaces.

Given that the business was established on the Subject Property 75 years ago, City staff has determined that the continued operation of the motor vehicle repair shop is of minimal detriment to the public health, safety, morals, or comfort of the surrounding neighborhood. The expansion of the business is to relocate items currently being stored outside indoors, construct a new bathroom, and expand the office space, which in turn would serve as an improvement to the neighborhood.

Based on the above-noted findings of fact contained in this report, City staff recommends the Planning Commission recommend City Council approval of the requested issuance of a Special Use Permit to allow for the continued operation of a motor vehicle repair shop. This request is tied to the associated request to re-zone the Subject Property from R2 (Two Family Residence) District to C2 (Commerce) District.

SITE AND BUILDING PLAN



Image 1. *Historic Photo of Christy's Auto Service (Source: www.christysautoservice.com).*



Image 2. *Current Photo of Christy's Auto Service-View from South of Subject Property (Source:www.christysautoservice.com).*

As the request is to re-zone the Subject Property from R2 (Two Family Residence) District to C2 (Commerce) District, Section 35-230 (*Plan Approval*) requires site and building plan approval to

construct the proposed addition on the north side of the existing building.

Site Design

The new approximately 975-square foot addition proposed for the north side of the property features a garage door entrance. The exterior of the addition, when completed, will be constructed of the same stucco façade as the existing structure. Currently, the area that is proposed for an addition is being utilized as storage space with trailers within a fenced area. Per the Applicant, items such as tires, rims, and drums are stored in this location.

Based on the submitted plans, staff determined that designing an addition where the trailers are currently stored could mitigate potential code enforcement issues related to the outdoor storage of materials. Please refer to Images 3, 4, and 5 below for the current conditions.



Image 3. *Existing Trailers and Storage on Subject Property-North Building Elevation.*



Image 4. *Existing Trailers and Storage on Subject Property.*



Image 5. *Existing Trailers and Storage on Subject Property-View from Dupont Avenue North.*

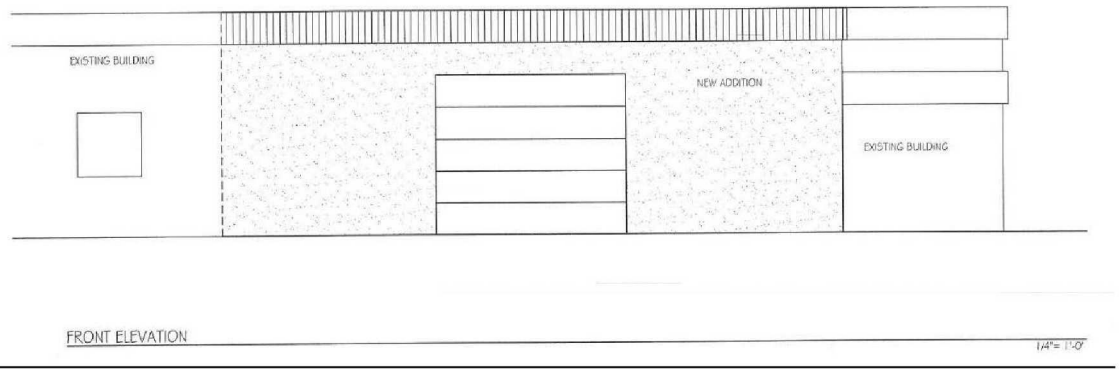


Image 6. Rendering of Proposed New Addition to Subject Property-North Elevation.

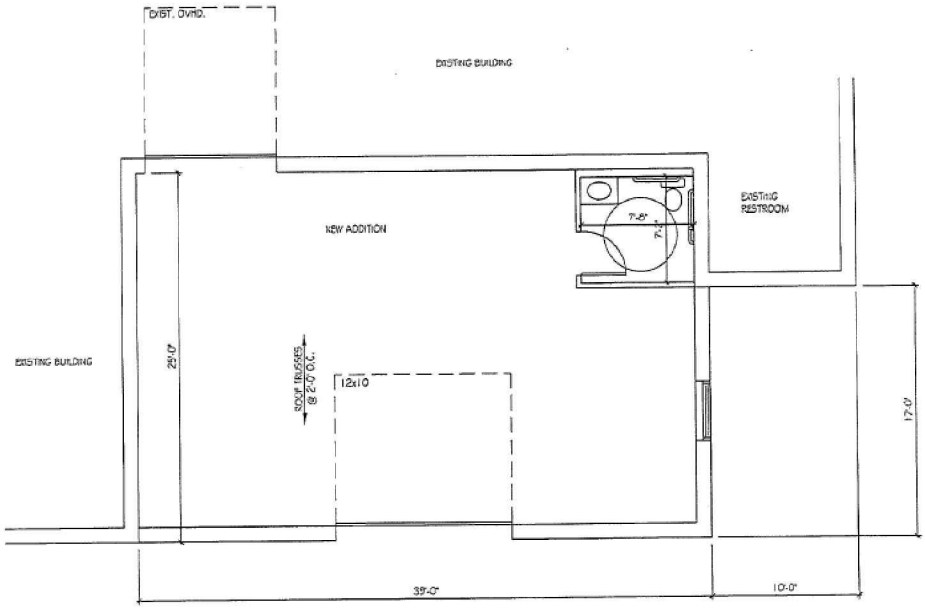


Image 7. Interior Layout of Proposed New Addition to Subject Property.

SETBACKS

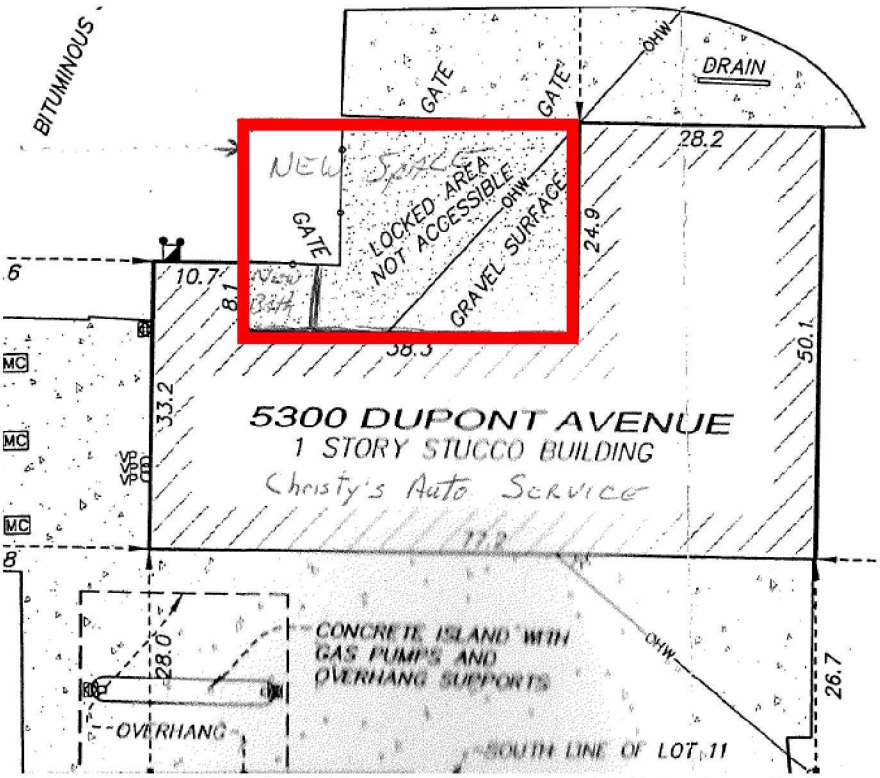


Image 8. Site Plan of Proposed Addition to Subject Property (Highlighted in Red).

In the case of C2-zoned properties located on a corner lot, the general minimum requirement for a front setback is 35 feet, and a corner setback of 25 feet. Considering the Subject Property is situated on a corner lot, Section 35-400 (*Table of Minimum District Requirements*) notes that in the case of corner lots, "the lot lines not abutting street right-of-way shall, for the purpose of this ordinance, be considered side-interior lot lines, and except as otherwise provided, the use shall adhere to the setback requirements set out for interior side yards." Therefore, the minimum setbacks for the interior side and rear are 10 feet, respectively.

The new addition would only have an effect on the rear and corner side yard setbacks. As proposed, the addition would be situated 46.3 feet from the corner property line, and the rear of the addition would align with the existing building footprint at 48.7 feet. In addition, the proposed addition would be flush with the existing height of the building.

LIGHTING | TRASH | SCREENING

Lighting

Staff recommends that the Applicants consider lighting on the exterior of the proposed addition to minimize the possibility of graffiti or theft, and to provide additional safety for employees and customers. Per Section 35-712 (*Lighting)*, lighting shall not exceed three (3) foot candles measured at property lines abutting residentially zoned property, or 10 foot candles measured at the property lines abutting the street right-of-way or non-residentially zoned properties. As is specified, no glare shall emanate from or be visible beyond the boundaries of the illuminated premises. Pending approval of the

rezoning and site and building plan requests, the Applicants shall provide locations and types for any new lighting, as well as a photometric plan verifying the fixtures will not exceed three (3) foot candles and comply with lighting requirements.

Trash and Screening

Staff noted the existence of a trash dumpster on the Dupont Avenue North side of the Subject Property. Per City Code requirements, trash dumpsters and any other ground mounted equipment (e.g., transformers, mechanical) shall be effectively screened from adjacent rights-of-way and adjacent properties by a solid wall or fence constructed of wood, masonry, or other durable materials that are complementary to the primary building. As the existing trash dumpster is not screened, a condition of any approval for the site and building plan will require that the trash dumpster be fully enclosed per City requirements should it remain outside. Plans will need to be submitted as part of any building permit submittal for the addition.

Per Chapter 12 (*Building Maintenance and Occupancy*) of the City Code, any roof-mounted equipment located on the addition will need to be screened from view through the use of parapets, wall/fencing materials, or paint to match surrounding colors when visible from the public right-of-way.

ACCESS AND PARKING

The proposed addition should not affect the Subject Property negatively so long as it is constructed as proposed. Following a review of the site, it was noted that there is currently no parking lot striping. In order to comply with City Code requirements and ensure sufficient emergency access is maintained around the property, City staff is requesting that the parking lot be striped. Per City Code, a minimum 20 foot drive aisle is required for fire access. The Applicants will need to submit a parking plan as part of any building permit submittal.

Assuming a continued "Automobile Service Station" use, a minimum of three (3) parking spaces for each enclosed bay plus one (1) space for each day shift employee, plus a minimum of two (2) spaces for service vehicles and one (1) additional space for each service vehicle over two in number is required.

LANDSCAPING

There was no Landscape Point System Policy in place when the Subject Property was first developed. Nonetheless, Staff does not anticipate that existing landscaping will be impacted by the proposed development as the construction is limited to the area that currently houses an enclosure on the north side of the property and the entire Subject Property is covered in impervious surfaces. While Staff would like to see landscaping incorporated on site, this would require existing impervious to be removed, which could potentially result in circulation issues around the site.

ASSISTANT CITY ENGINEER REVIEW

As part of any approval of the requests, the Applicants will need to comply with the use of storm water erosion control Best Management Practices (BMPs) as necessary to prevent sediment from reaching the storm sewers, as noted by Assistant City Engineer Andrew Hogg in his memorandum dated July 1, 2019 (Exhibit C).

FIRE INSPECTOR | BUILDING OFFICIAL REVIEW

Per Building Official Dan Grinsteinner, buildings 2,000-square feet or greater require installation of a fire sprinkler system. This requirement applies to any existing or new building additions. In addition, the Applicant will need to comply with any applicable Minnesota Accessibility Code requirements as relating

to parking and access (e.g., bathrooms, counters). Pending approval of the identified requests, the Building Official may require submittal of architecturally stamped plans as part of the building permit submittal process.

SIGNAGE
No signage requests were submitted as part of Planning Commission Application No. 2019-010. All signage is to comply with Chapter 34 (*Signs*) of the City Code.

Based on the above-noted findings of fact contained in this report, City staff recommends Planning Commission recommend City Council approval of the requested site and building plan to construct an approximately 975-square foot addition on the north side of the Subject Property located at 5300 Dupont Avenue North.

CONDITIONS OF APPROVAL
Staff recommends the following conditions be attached to any positive recommendation on the approval of Planning Commission Application No. 2019-012 for the Subject Property located at 5300 Dupont Avenue North:

1. **Rezoning:** The Applicant's request to construct an approximately 975-square foot addition on the north side of the property is contingent upon obtaining approval to re-zone the Subject Property from R2 (Two Family Residence) District to C2 (Commerce) District, and issuance of a Special Use Permit for the motor vehicle repair use.

2. **Building and Site Plan Review:** The building plans are subject to review and approval by the Building Official with respect to applicable codes prior to the issuance of permits.
    a. Any major changes or modifications made to this Site and Building Plan can only be made by an amendment to the approved Site and Building Plan as approved by the City Council.
        i. Architecturally-stamped building plans may be required as part of any building permit submittal.
        ii. The Applicant shall provide a parking plan as part of a building permit submittal. Upon approval of the parking plan, the Applicant shall stripe the Subject Property in accordance with the submitted plans and per City Code requirements.
    b. A pre-construction conference shall be held with City staff and other entities designated by the City prior to issuance of a Building Permit.

3. **Agreements:**
    a. Unless otherwise determined, Property Owner/Applicant shall execute a separate Performance Agreement with supporting financial guarantee approved by the City, which ensures the Subject Property will be constructed, developed, and maintained in conformance with the plans, specifications, and standards comprehended under this Site and Building Plan.
    b. The Applicant shall submit an as-built survey of the Subject Property, as well as any improvements and utility service lines, prior to the release of the Performance Agreement financial guarantee.

4. **Engineering Review:**
    a. The Applicant agrees to comply with all conditions or provisions noted in the City Engineer's Review memorandum, dated July 1, 2019.

5. **Construction Standards:**
    a. Appropriate erosion and sediment control devices shall be provided on site during construction as approved by the City's Engineering Division.

6. **Facilities and Equipment:**
    a. Any outside trash disposal facilities or ground mechanical equipment shall be appropriately screened from view per City Code requirements.
    b. Any outdoor enclosures shall be constructed with materials that are complementary to the principal building and new addition.
    c. Semi-trailers, etc. shall not be used for the out of door storage of materials, equipment, merchandise, inventory, etc. Any trailers on-site of the Subject Property shall be removed.
    d. Per Code, fire sprinkler systems are required for buildings 2,000-square feet in size.
    e. Minnesota ADA compliance as related to parking, public access, etc. is required.

The aforementioned comments are provided based on the information submitted by the applicant at the time of this review. Other guarantees and site development conditions may be further prescribed throughout the project as warranted and determined by the City.

RECOMMENDATION

Based on the findings of fact contained in this report, staff has determined that all requirements of the City's Zoning Code, pertaining to the re-zoning, Special Use Permit, and site and building plan requests, as identified in Planning Commission Application No. 2019-010, have been met or exceeded, and therefore support a recommendation for approval of the application. Based on the findings and the above-noted conditions of approval, staff recommends the following motion:

Motion to approve a Resolution recommending that the City Council approve Planning Commission Application 2019-010 for the rezoning of the Subject Property located at 5300 Dupont Avenue North from R2 (Two Family Residence District) to C2 (Commerce) District, issuance of Special Use Permit for the continued operation of a motor vehicle repair business, and site and building plan approval to construct an approximately 975-square foot addition.

Should the Planning Commission accept this recommendation, the Commission may elect to adopt the resolution which memorializes the findings in granting approval for the requested rezoning, Special Use Permit and site and building plan approvals, subject to the Applicants complying with the conditions outlined in the associated resolution.

ATTACHMENTS

Exhibit A – Planning Commission Application No. 2019-010 and Submitted Plans.
Exhibit B- Public Hearing Notice, published by Brooklyn Center Sun Post, dated June 27, 2019.
Exhibit C- Review Memorandum, prepared by Assistant City Engineer Andrew Hogg, dated July 1, 2019.

Exhibit A

BROOKLYN CENTER AT THE CENTER

RECEIVED
JUN - 4 2019

For Office Use Only	
Date Received:	
Date Application Complete:	
Letter of Completeness:	
PC App No.	

2019 Planning Commission Application

Applicant Information:

Name: Christy's Auto Service

Address: 5300 Dupont Ave N

Office Phone: 763-560-9984 Cell: Lori 612-483-9223

Email: rebeldean24@msn.com FAX: 763-561-9344

Property Owner Information* (*if different from Applicant*):

Name: James & Lori Dean

Property Owner Address: 5300 Dupont Ave N

Office Phone: 763-560-9984 Cell: Lori 612-483-9223

Email: rebeldean24@msn.com FAX: 763-561-9344

Project Information:

Provide a general description of your project and request(s): We hope to change zoning Then we can improve the look of the building. Get rid of outside storage for old tires, rims & 55 gal drums. The fenced storage area will be removed Add 1000 sq ft for a cleaner more Finished Building

Address/Location of Property: 5300 Dupont Ave N Brooklyn center, mn 55430

Legal Description of Property:

Application Type (Mark all that Apply)

☐	Comprehensive Plan Amendment	$1,050	☐	Appeal	$200
☒	Rezoning	$1,050	☐	Zoning Code Text Amendment	$500
☐	Special/Interim Use Permit	$250	☐	Special/Interim Use Permit Amendment	$150
☒	Site and Building Plan Review	$750	☐	Variance	$200
☐	Planned Unit Development	$1,800	☐	Planned Unit Development Amendment	$700
☐	Preliminary Plat	$400	☐	Final Plat	$200

IMPORTANT: All applications may be subject to additional fees for reimbursement of costs incurred by the City for filing, reviewing, and processing applications in the form of an escrow to the City.

Application Fee: $_____ **Escrow Amount: $**_____ **Receipt No:** _____

Acknowledgement and Signature:

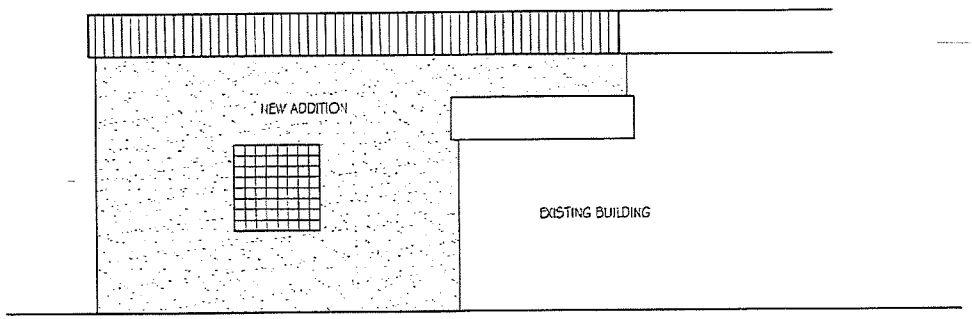
The undersigned acknowledges that they understand that before a Planning Commission application can be deemed complete, all required fees and escrows must be paid to the City. By signing and submitting this application, the Applicant agrees to pay to the City of Brooklyn Center the actual costs incurred for expenses reasonably and necessarily required by the City for the review, filing, and processing of the application. Such costs will be in addition to the application fee described herein. Withdrawal of the application will not relieve the applicant of the obligation to pay costs incurred prior to withdrawal. Any administrative fees paid as part of the submission of this application are nonrefundable.

James Dean & Lori Dean — 6-4-19

Property Owner Signature (Required) — Date

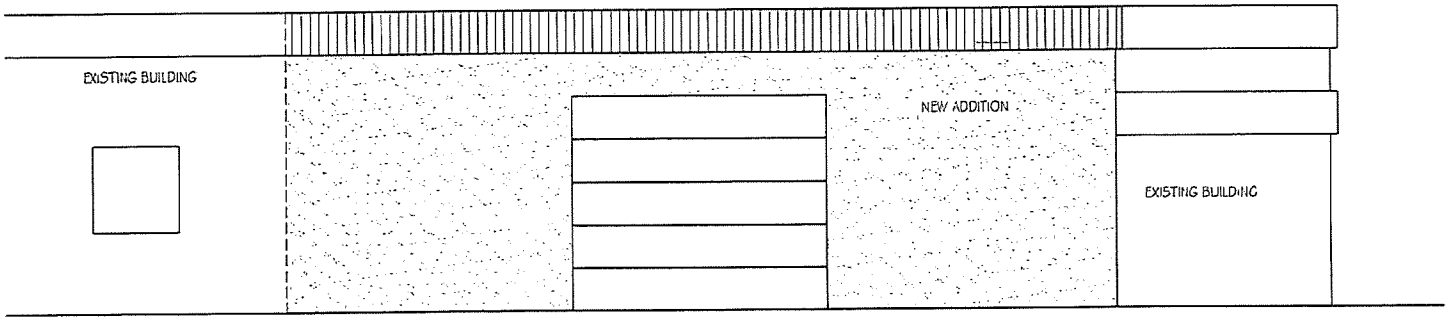
James Dean & Lori Dean — 6-4-19

Applicant Signature (If different than Property Owner) — Date



RIGHT ELEVATION

1/4"= 1'-0"



FRONT ELEVATION

1/4"= 1'-0"

DISCLAIMER

IN PREPARATION OF THIS PLAN EVERY ATTEMPT HAS BEEN MADE TO AVOID MISTAKES. DESIGNER CANNOT GUARANTEE AGAINST HUMAN ERROR. CONTRACTOR TO VERIFY ALL DIMENSIONS AND CONDITIONS AND BE RESPONSIBLE FOR THE SAME. THESE DESIGNS, CONCEPTS AND SPECIFICATIONS ARE INSTRUMENTS OF SERVICE AND AS SUCH REMAIN THE EXCLUSIVE PROPERTY OF COUNTRY LUMBER AND ARE NOT TO BE COPIED WITHOUT THE WRITTEN CONSENT OF COUNTRY LUMBER.

P: 02/26/19
R:
R:
F:

DRAWN BY: RK

CL#2019.022

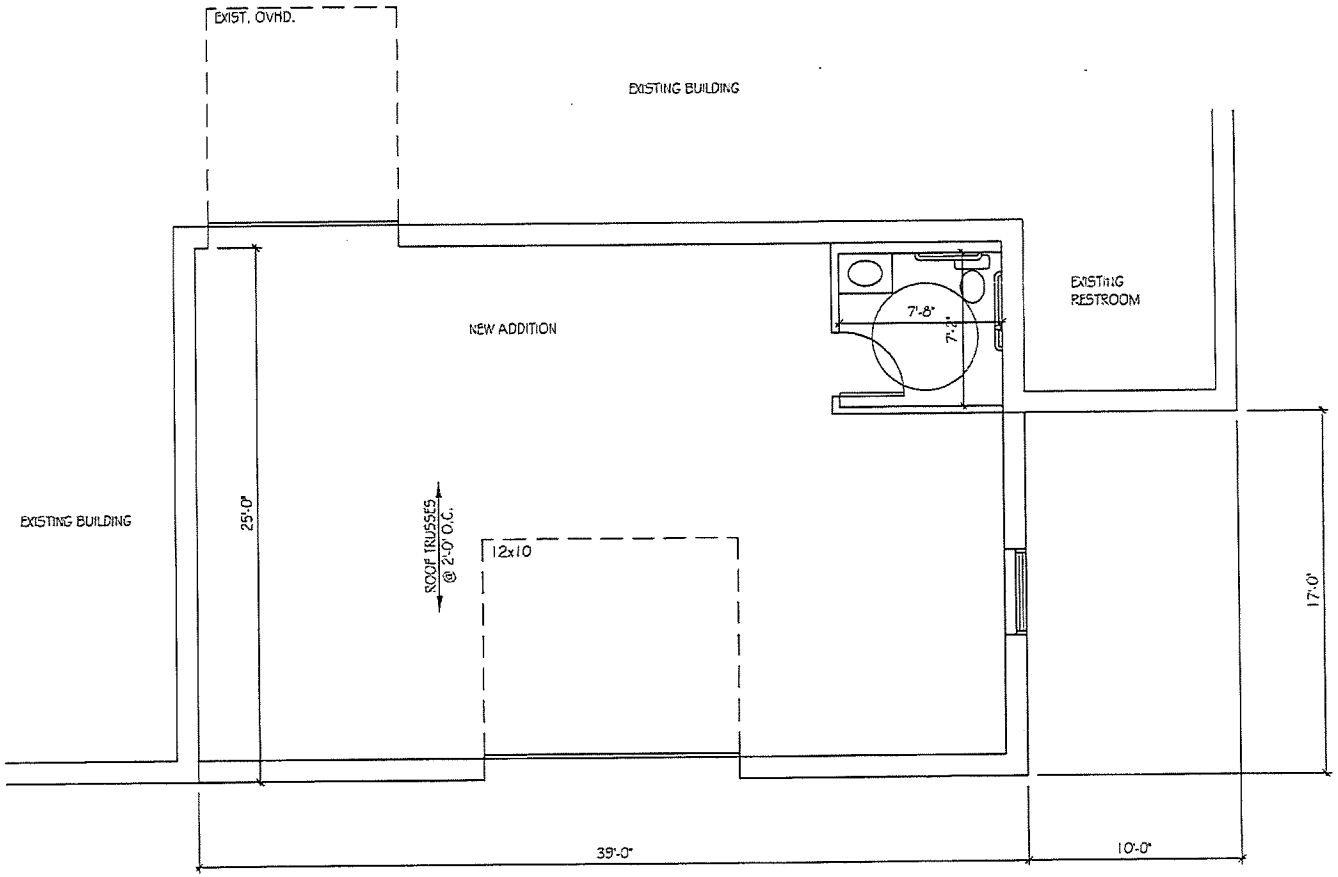
DESIGN FOR:
SPINDLER CONSTRUCTION
HAPA ADDITION

COUNTRY LUMBER
DESIGN CENTER
13575 OAKVIEW AVE. BECKER, MN. 55308
PHONE: (763) 262-4750
FAX: (763) 262-4445
1-800-247-0295

X

Of X

C:\Users\Country Lumber\Desktop\Drawings\2019 Drawing\19.022 SPINDLERADDITION 1.dwg, 3/1/2019 4:10:39 PM, DWG To PDF.pc3



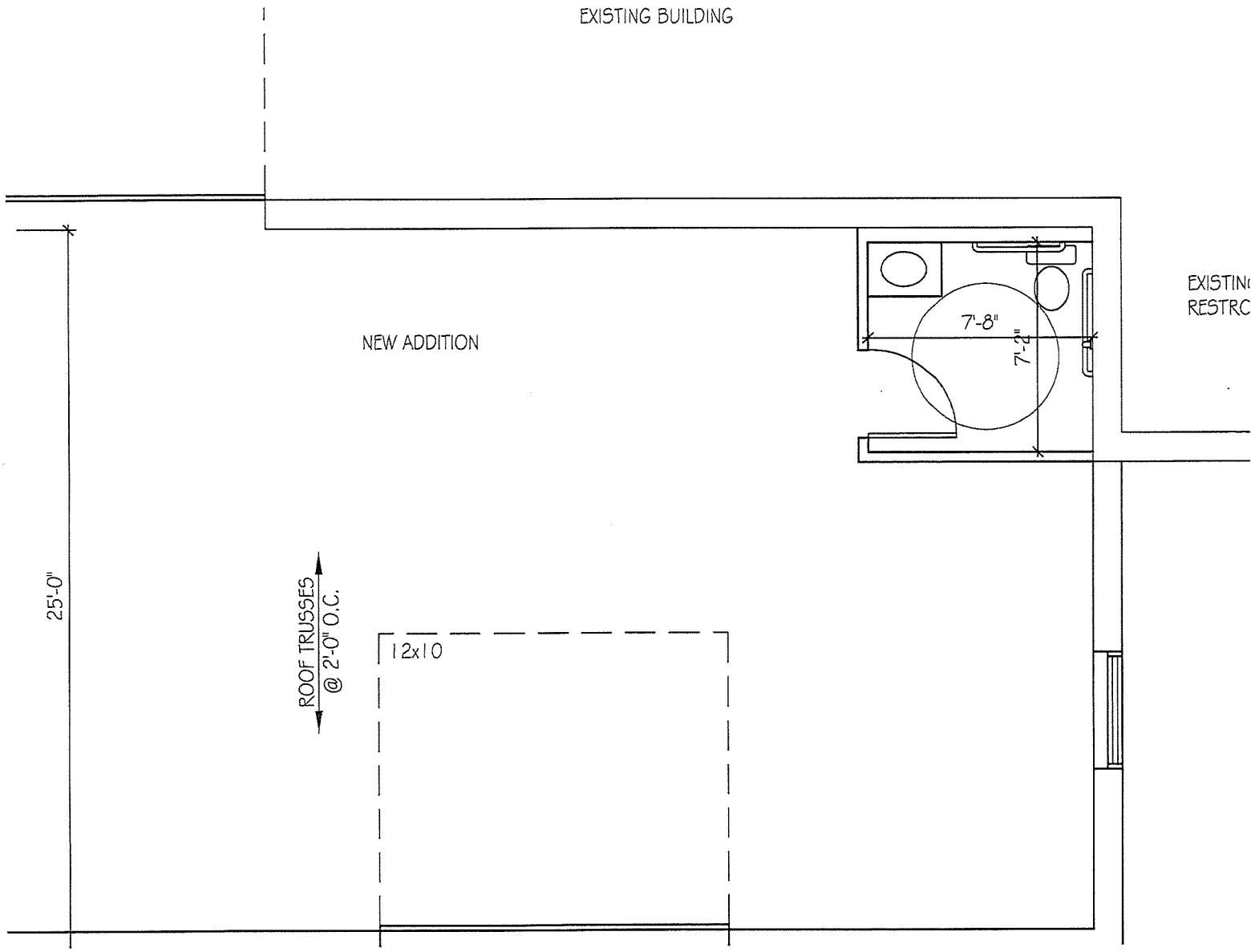
FLOOR PLAN

975 SFT. (NEW ADDITION)

1/4"= 1'-0"

X

OF X


EXISTING BUILDING
NEW ADDITION
EXISTIN
RESTRC
7'-8"
7'-2"
25'-0"
ROOF TRUSSES
@ 2'-0" O.C.
12x10

LOT CERTIFICATE

LEGAL DESCRIPTION:
(Per previous surveys by Egan, Field and Nowak, INC.)

The West 150.00 feet of Lot 11, Block 4, BELLVUE ACRES, according to the recorded plat thereof, Hennepin County, Minnesota.

I hereby certify that this survey was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the law of the State of Minnesota.

Date of survey: August 24, 2006.

Brent R. Peters
Minnesota License No. 441233

NOTES:

1. The orientation of this bearing system is based on the west line of Lot 11, Block 4, BELLVUE ACRES which is assumed to have a bearing of North 02 degrees 03 minutes 17 seconds East.

2. The area of the property described hereon is 18,900 square feet or 0.43 acres.

3. No title work was furnished for the preparation of this survey to verify the legal description, ownership or existence of any easements or encumbrances.

EGAN, FIELD, & NOWAK, INC.
"SURVEYORS SINCE 1872"
7415 WAYZATA BLVD, MINNEAPOLIS, MINNESOTA 55426
PHONE: (952) 546-6837 FAX: (952) 546-6839
WEB: EFNSURVEY.COM

COPYRIGHT © 2006 By EGAN, FIELD & NOWAK, INC.

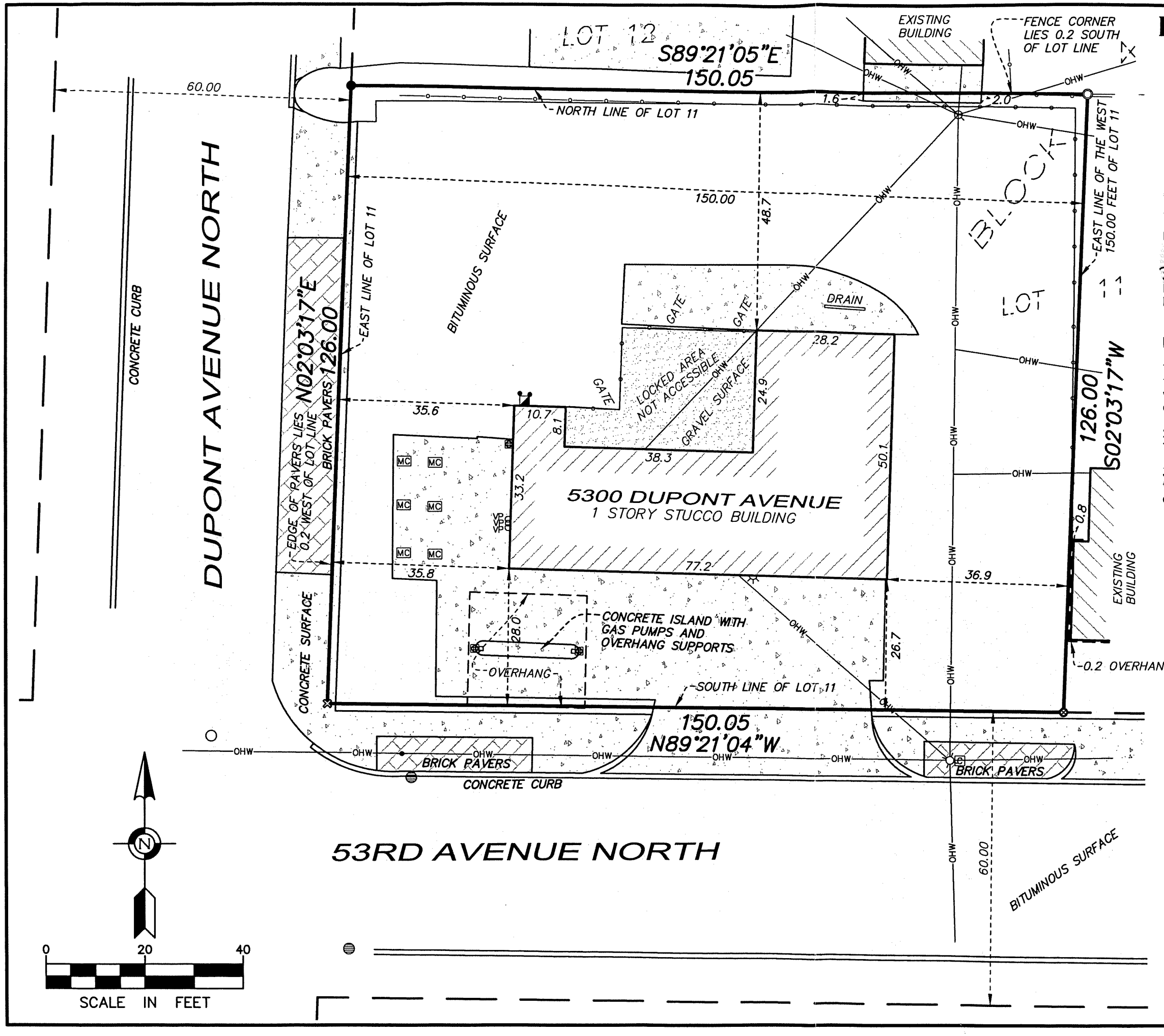
SURVEY FOR:
CARLSON, CLELLAND & SCHREDER

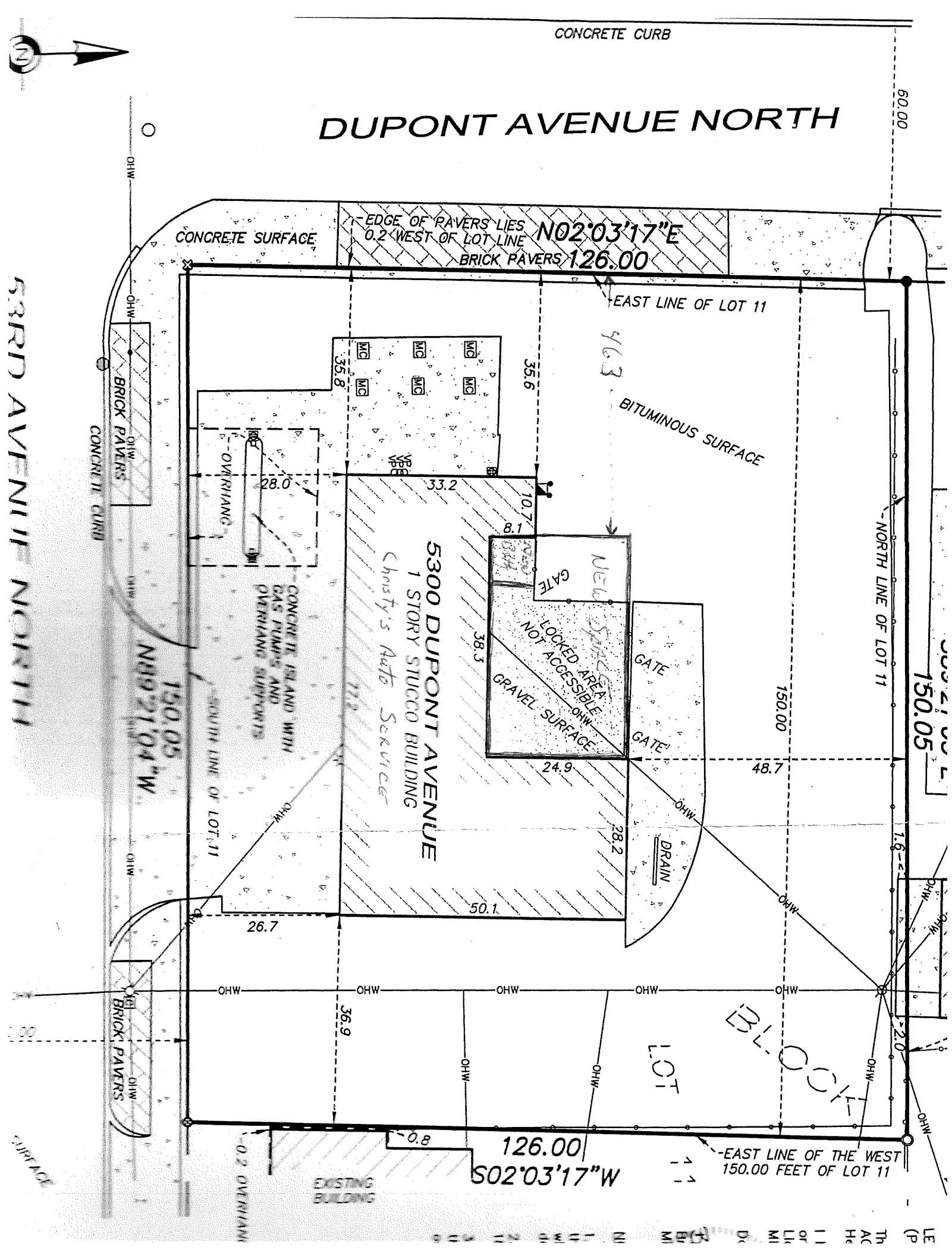
FIELD BOOK	PAGE	FIELDWORK CHIEF:	DRAWN BY:	CHECKED BY:
2690	40	KK	PJD	BRP

DRAWING NAME: 32755-BDRY
JOB NO. 32755
FILE NO. 5527

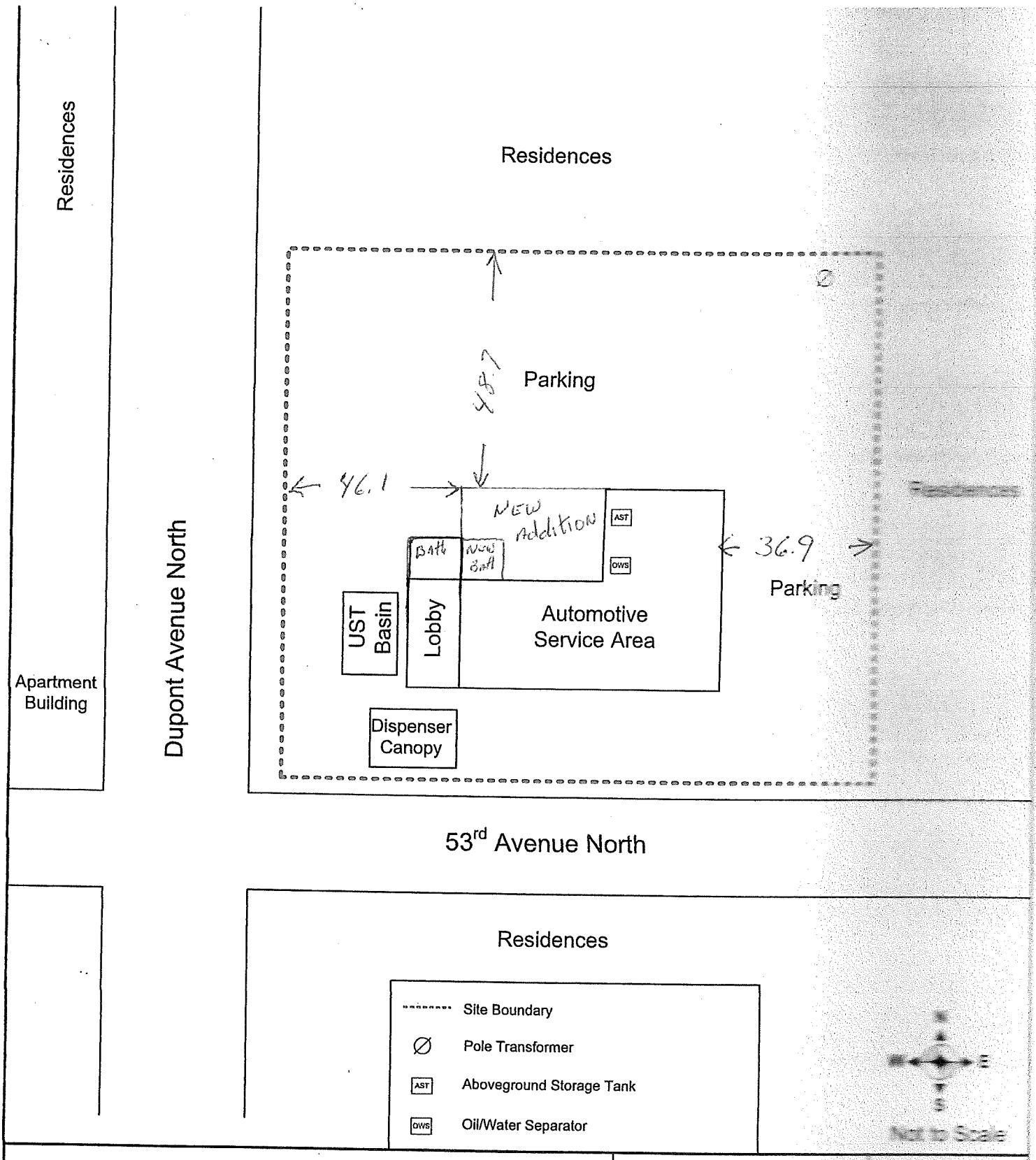
LEGEND

- FOUND MONUMENT
- SET IRON MONUMENT
- SET PK NAIL
- CROSS IN CONCRETE
- COMMUNICATION BOX
- MANHOLE
- CATCH BASIN
- UTILITY POLE
- UTILITY POLE WITH LIGHT
- SIGN
- ROOF DRAIN
- METAL COVER
- VENT PIPE
- BUILDING LIGHT
- GAS METER
- GUARD POST
- OVERHEAD WIRE
- FENCE
- BITUMINOUS SURFACE
- CONCRETE SURFACE
- GRAVEL SURFACE





CONCRETE CURB
DUPONT AVENUE NORTH
60.00
CONCRETE SURFACE
EDGE OF PAVERS LIES 0.2 WEST OF LOT LINE
N02°03'17"E
BRICK PAVERS 126.00
EAST LINE OF LOT 11
463
BITUMINOUS SURFACE
35.8
35.6
MC
OVERHANG
28.0
33.2
10.7
8.1
5300 DUPONT AVENUE
1 STORY STUCCO BUILDING
Christy's Auto Service
GATE
LOCKED AREA NOT ACCESSIBLE
GRAVEL SURFACE
38.3
GATE
GATE
24.9
48.7
150.00
NORTH LINE OF LOT 11
150.05
28.2
DRAIN
50.1
26.7
36.9
BLOCK
LOT
0.8
126.00
S02°03'17"W
EAST LINE OF THE WEST 150.00 FEET OF LOT 11
EXISTING BUILDING
0.2 OVERHANG
BRICK PAVERS
CONCRETE CURB
CONCRETE ISLAND WITH GAS PUMPS AND OVERHANG SUPPORTS
SOUTH LINE OF LOT 11
150.05
N89°21'04"W
53RD AVENUE NORTH



Site Diagram
Christy's Auto Service
5300 Dupont Avenue North
Brooklyn Center, Minnesota 55430

WELLS014/E06-2593

Environmental
Architecture
Engineering
Nova
Consulting Group, Inc.

September 2006

Figure 2

Exhibit B

CITY OF BROOKLYN CENTER NOTICE OF PUBLIC HEARING

TO WHOM IT MAY CONCERN:

Please take notice that the Planning Commission of the City of Brooklyn Center will hold a public hearing on Thursday, July 11th, 2019, at approximately 7:00 p.m., at the Brooklyn Center City Hall, located at 6301 Shingle Creek Parkway, Brooklyn Center, Minnesota. A definite time for this application to be considered cannot be given as it will depend on the progression of the agenda items.

TYPE OF REQUEST: Rezoning of Christy's Auto property at 5300 Dupont Avenue and Site and Building Plan Approval for an addition to the building.

PETITIONER:
James and Lori Dean

PROPERTY OWNERS:
Boulevard Holdings, LLC

PROPERTIES NAMED IN THE PETITION BY LEGAL DESCRIPTION: Bellvue Acres (Christy's Service)

PROPERTY IDS:
0111821340085

BRIEF STATEMENT OF CONTENTS OF PETITION: The property is currently an existing legal nonconforming use, which does not allow expansions to the structure. The Petitioner wishes to construct a rear addition to the building to enclose materials currently being stored outdoors. In order to accommodate the request, the property must be rezoned from its current designation as a Two Family Residential property to C1 Service/Office.

Questions, comments, statements of support or objections should be directed to Interim Associate Planner Joe Hartmann at (763) 569-3315 or email to jhartmann@ci.brooklyn-center.mn.us.

Auxiliary aids for persons with disabilities are available upon request at least 96 hours in advance. Please contact the City Clerk at (763) 569-3300 to make arrangements.

Respectfully,
Joe Hartmann
Associate Planner / Housing & Code Enforcement Inspector

Published in the
Sun Post
June 27, 2019
950882

Exhibit C

M E M O R A N D U M

DATE: July 1, 2019

TO: Ginny McIntosh, City Planner/Zoning Administrator

FROM: Andrew Hogg, Assistant City Engineer

SUBJECT: Site Plan Review – Christy's Auto Site

Public Works Department staff reviewed the following documents submitted for review on June 4, 2019, for a Site Plan Review of Christy's Auto Site at 5300 Dupont Ave N:

- Application dated June 4, 2019

Subject to final staff Site Plan approval, the referenced plans must be revised in accordance with the following comments/revisions and approved prior to issuance of Land Alteration permit:

C1.01 – Site Plan

1. Use storm water erosion control BMP's as necessary to prevent sediment from reaching the storm sewers.

The aforementioned comments are provided based on the information submitted by the applicant at the time of this review. Other guarantees and site development conditions may be further prescribed throughout the project as warranted and determined by the City.

COUNCIL ITEM MEMORANDUM

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: N/A

FROM: Nate Reinhardt, Finance Director

SUBJECT: Resolution Awarding the Sale of $9,850,000 General Obligation Improvement and Utility Revenue Bonds, Series 2019A Fixing Their Form and Specifications; Directing Their Execution and Delivery; and Providing for Their Payment

Requested Council Action:

- Motion to approve a resolution awarding the sale of $9,850,000 General Obligation Improvement and Utility Revenue Bonds, Series 2019A fixing their form and specifications; directing their execution and delivery; and providing for their payment.

Background:

On July 8, 2019 the City Council adopted a resolution setting the date for the competitive negotiated sale of $9,850,000 General Obligation Improvement and Utility Revenue Bonds, Series 2019A. The bond proceeds will be used to finance the construction of Interstate Area Improvements and Bellvue/Southeast Improvements.

We have attached a copy of the Preliminary Official Statement which describes the bond sale in more detail. We anticipate that Standard & Poor's will confirm that the bonds will continue to be rated AA. The rating report will be sent to the Council when received prior to the Council meeting. Competitive proposals will be received by the City's financial advisor, Baker Tilly at 10:00am on August 12, 2019. Doug Green, Director at Baker Tilly will be present at the Council meeting to discuss the recommendations for the sale.

Interstate Area Improvements

The City's Capital Improvement Plan identifies the Interstate Area Neighborhood for reconstruction in 2019, as part of its long-range infrastructure rehabilitation program referred to as the Neighborhood Street and Utility Improvement Program. The program has consisted of a systematic rehabilitation and/or replacement of the City's aging streets, water main, sanitary sewers, sidewalks and street lights.

The Interstate project area extends from Interstate 94 to 59th Avenue and from Dupont Avenue to Lyndale Avenue. The total project length is 17,343-feet. The neighborhood consists of approximately 237 residential properties.

On December 10, 2018 the City Council approved a resolution ordering improvements and authorizing preparation of plans and specifications for the Interstate Area street, storm drainage and utility improvements. City Council also approved a resolution certifying the special assessments on this project.

On June 10, 2019 the City Council accepted the bid and awarded the contract of Interstate Area Improvements to the lowest responsible bidder. The estimated cost of the project (amended per low bid) is $10,857,514.

Bellvue/Southeast Area Mill and Overlay

The Bellvue project area extends from Dupont Avenue to 4th Street and 53rd Avenue to 55th Avenue from James Avenue to 4th Street. The area contains a total of 10,858 linear feet of local streets. The project area consists of approximately 165 residential properties, three multi-family properties, two business properties and one church property.

The Southeast project area extends from Interstate 94 to Irving Avenue between 57th Avenue and 55th Avenue, and from Dupont Avenue to Irving Avenue between 55th Avenue and 53rd Avenue. The area contains a total of 20,364 linear feet of local streets. The project area consists of approximately 401 single family residential properties and six multi-family properties.

On March 6, 2018 and June 11, 2018 the City Council approved resolutions establishing improvement projects for the Bellvue and Southeast Area mill and overlays. City Council also approved a resolution certifying the special assessments on this project.

On June 24, 2019 the City Council accepted the bid and awarded the contract of the Bellvue/Southeast mill and overlay to the lowest responsible bidder. The estimated total cost of the project of $3,293,810.

Budget Issues:

The total estimated combined cost (amended per low bid) of the two projects is $14,151,324. Of this total cost, $9,850,000 of street, sanitary sewer, storm drainage and water infrastructure costs will be financed through bond proceeds and paid from a combination of future special assessments, property taxes and utility revenues. This equates to approximately 70% of the total project cost.

The Interstate Area Improvements and the Bellvue/Southeast Improvements were included in the 2019 adopted budget. The Street Reconstruction fund which is the primary source of funding for the City's share of street reconstruction improvements receives approximately $689,000 per year in franchise fees. Franchise fees are not adequate to cover the City's share of street reconstruction expenditures which have an estimated average annual cost of $4.1 million for the years 2019 through 2021 as identified in the Capital Improvement Plan (CIP).

The proposed 2019A bond issue includes approximately $1.7 million in street reconstruction costs that will be repaid from an additional debt service property tax levy. The street improvement portion of the bond issue is structured to result in a lower property tax levy in the first two annual payments, followed by an approximate $125,000 increase in annual levy requirements to wrap around the tax levies on the City's outstanding general obligation improvement bonds. The estimated required levy for the new debt service in 2020 is approximately $82,000, which equates to an approximate 0.5% levy increase for taxes payable in 2020.

The Special Assessments Capital Project fund accounts for infrastructure replacement costs that are funded entirely by special assessments. Because special assessments are repaid over ten years, bonds are frequently issued to provide immediate funding for the project costs. The 2019A bond issue includes approximately $2.35 million in street/storm drainage improvements that will be funded by special assessment revenue.

The utility funds pay for infrastructure replacement costs through utility charges. Issuing debt to provide funding for the infrastructure improvements will allow the City to minimize the impact on these charges. The 2019A bond issue includes $2.1 million in water utility costs, $2.1 million in sanitary sewer utility costs, and $1.6 million in storm drainage costs that will be funded through water, sanitary sewer and storm drainage utility fees.

Debt Summary (By Repayment Source)	
Property Tax Levy	$1,700,000
Special Assessments	2,350,000
Water Charges	2,100,000
Sanitary Sewer Charges	2,100,000
Storm Drainage Charges	1,600,000
Total Debt Issue	$9,850,000

Proceeds from the bonds will be received September 12th, 2019.

Strategic Priorities and Values:

Safe, Secure, Stable Community

ATTACHMENTS:

Description	Upload Date	Type
2019A Bonds Award Resolution	8/5/2019	Resolution Letter
2019A Preliminary Official Statement	8/6/2019	Backup Material

Extract of Minutes of Meeting
of the City Council of the City of
Brooklyn Center, Hennepin County, Minnesota

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Brooklyn Center, Minnesota, was duly held in the City Hall in said City on Monday, August 12, 2019, commencing at 7:00 P.M.

The following members were present:

and the following were absent:

* * * * * * * * *

The Mayor announced that the next order of business was consideration of the proposals which had been received for the purchase of the City's approximately $9,850,000 General Obligation Improvement and Utility Revenue Bonds, Series 2019A.

The City Manager presented a tabulation of the proposals that had been received in the manner specified in the Official Terms of Proposal for the Bonds. The proposals are as set forth in **Exhibit A** attached.

After due consideration of the proposals, Member _____ then introduced the following resolution, and moved its adoption:

RESOLUTION _____

RESOLUTION AWARDING THE SALE OF $9,850,000 GENERAL OBLIGATION IMPROVEMENT AND UTILITY REVENUE BONDS, SERIES 2019A FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY; AND PROVIDING FOR THEIR PAYMENT.

BE IT RESOLVED By the City Council of the City of Brooklyn Center, Hennepin County, Minnesota (the "City") in regular meeting assembled as follows:

Section 1. Background.

1.01 The City is authorized by Minnesota Statutes, Chapters 429 and Minnesota Statutes, Chapter 475, as amended (collectively, the "Improvement Act") to provide financing for various public street improvements in the City (the "Improvements").

1.02 The City is authorized by Minnesota Statutes, Section 444.075 and Minnesota Statutes, Chapter 475, as amended (collectively, the "Utility Act"), to finance all or a portion of the cost of certain utility improvements of the City (the "Utility Improvements") by the issuance of general obligation bonds of the City payable from the net revenues of the water, sanitary sewer, and storm drainage utility systems of the City.

1.03 The City is authorized by Minnesota Statutes, Section 475.60, subdivision 2(9) to negotiate the sale of the Bonds, it being determined that the City has retained an independent municipal advisor in connection with such sale. The actions of the City staff and the City's municipal advisor in negotiating the sale of the Bonds are ratified and confirmed in all aspects.

Section 2. Sale of Bonds.

2.01 Authorization. It is hereby determined that it is necessary to provide financing for the Improvements and the Utility Improvements and to finance those improvements through the issuance of the City's $9,850,000 General Obligation Improvement and Utility Revenue Bonds, Series 2019A (the "Bonds").

2.02. Acceptance of Offer. The proposal of _____, in _____, _____ (the "Purchaser") to purchase the Bonds is hereby found and determined to be a reasonable offer and is hereby accepted, the proposal being to purchase the Bonds at a price of $_____ ($9,850,000.00 par amount, plus original issue premium of $_____, less underwriter's discount of $_____), for Bonds bearing interest as follows:

Year of Maturity	Interest Rate	Year of Maturity	Interest Rate
2021	%	2026	%
2022		2027	
2023		2028	
2024		2029	
2025		2030	

2.03. Purchase Contract. Any amount paid by the Purchaser over the minimum purchase price shall be credited to the Debt Service Fund hereinafter created, or deposited in the accounts in the Construction Fund hereinafter created, as determined by the City Finance Director after consultation with the City's municipal advisor. The City Finance Director is directed to retain the good faith check of the Purchaser, pending completion of the sale of the Bonds, and to return the good faith checks of the unsuccessful proposers. The Mayor and City Manager are authorized to execute a contract with the Purchaser on behalf of the City, if requested by the Purchaser.

2.04. Terms and Principal Amounts of Bonds. The City will forthwith issue and sell the Bonds pursuant to the Improvement Act and the Utility Act (collectively, the "Act"), in the total principal amount of $9,850,000, originally dated the date of delivery, the Bonds being in fully registered form and issued in the denomination of $5,000 each or any integral multiple thereof, numbered No. R-1 and upward, bearing interest as above set forth, and maturing on February 1 in the years and amounts as follows:

Year	Amount	Year	Amount
2021	$760,000	2026	$1,070,000
2022	810,000	2027	1,085,000
2023	930,000	2028	1,095,000
2024	935,000	2029	1,100,000
2025	945,000	2030	1,120,000

$4,050,000 of the Bonds (the "Improvement Bonds") maturing in the amounts and on the dates set forth below are being issued to finance the cost of the Improvements:

Year	Amount	Year	Amount
2021	$315,000	2026	$425,000
2022	320,000	2027	425,000
2023	435,000	2028	425,000
2024	435,000	2029	420,000
2025	430,000	2030	420,000

$5,800,000 of the Bonds (the "Utility Bonds") maturing in the amounts and on the dates set forth below are being issued to finance the cost of the Utility Improvements:

Year	Amount	Year	Amount
2021	$445,000	2026	$645,000
2022	490,000	2027	660,000
2023	495,000	2028	670,000
2024	500,000	2029	680,000
2025	515,000	2030	700,000

As may be requested by the Purchaser, one or more term Bonds may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the foregoing principal repayment schedule, and corresponding additions may be made to the provisions of the applicable Bond(s).

2.05. Optional Redemption. The City may elect on February 1, 2028, and on any day thereafter to prepay Bonds maturing on or after February 1, 2029. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC (as defined in Section 7 hereof) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

Section 3. Form; Registration.

3.01. Registered Form. The Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof is payable by check or draft issued by the Registrar described herein.

3.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds is payable on February 1 and August 1 of each year, commencing August 1, 2020, to the registered owners of record thereof as of the close of business on the 15th day of the immediately preceding month, whether or not that day is a business day.

3.03. Registration. The City will appoint, and will maintain, a bond registrar, transfer agent, authenticating agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar will keep at its principal corporate trust office a bond register in which the Registrar provides for the registration of ownership of Bonds

and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the 15th day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. All Bonds surrendered upon a transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer such Bond until the Registrar is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums to be paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for every transfer or exchange of Bonds, sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond is mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing

with the Registrar of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to the Registrar and as provided by law, in which both the City and the Registrar will be named as obligees. All Bonds so surrendered to the Registrar will be cancelled by the Registrar and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost bond has already matured or been called for redemption in accordance with its terms it will not be necessary to issue a new Bond prior to payment.

(i) Redemption. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) in accordance with the requirements of DTC to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of the proceedings for the redemption of Bonds. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

3.04. Appointment of Initial Registrar. The City appoints Zions Bancorporation, National Association, Chicago, Illinois, as the initial Registrar. The Mayor and the City Manager are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation is authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of this Council, the City Finance Director must transmit to the Registrar monies sufficient for the payment of all principal and interest then due.

3.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the City Finance Director and will be executed on behalf of the City by the signatures of the Mayor and the City Manager, provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of any Bond, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, no Bond will be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on a Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond will be conclusive evidence that it has been

authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed and authenticated, the City Finance Director will deliver the same to the Purchaser thereof upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser will not be obligated to see to the application of the purchase price.

3.07. Form of Bonds. The Bonds will be printed or typewritten in substantially the form set forth in **Exhibit B** attached hereto.

3.08. Approving Legal Opinion. The City Finance Director is authorized and directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, which will be complete except as to dating thereof and will cause the opinion to be printed on or accompany each Bond.

Section 4. Funds and Accounts; Security; Payment.

4.01. Debt Service Fund and Accounts Maintained Therein. For the convenience and proper administration of the moneys to be borrowed and repaid on the Bonds, and to provide adequate and specific security for the Purchaser and holders from time to time of the Bonds, there is hereby created a special fund to be designated the "General Obligation Improvement and Utility Revenue Bonds, Series 2019A Debt Service Fund" (the "Debt Service Fund"). The Debt Service Fund shall be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Debt Service Fund will be maintained in the manner herein specified until all of the Bonds and the interest thereon have been fully paid. The City will maintain the following accounts in the Debt Service Fund: the "Assessable Improvements Account" and the "Utility Improvements Account." Amounts in the Assessable Improvements Account are irrevocably pledged to the Improvement Bonds and amounts in the Utility Improvements Account are irrevocably pledged to the Utility Bonds.

(a) Assessable Improvements Account. To the Assessable Improvements Account in the Debt Service Fund there is hereby pledged and irrevocably appropriated and there will be credited: (i) proceeds of the ad valorem taxes levied under Section 4.03(a) or hereafter levied (the "Taxes") and special assessments levied or to be levied against the property specially benefited by the Improvements (the "Assessments"), which ad valorem taxes and Assessments are pledged to the Assessable Improvements Account; (ii) capitalized interest financed from Improvement Bond proceeds, if any; (iii) a pro rata portion of the amount over the minimum purchase price paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 2.03 hereof; and (iv) all investment earnings on amounts in the Improvements Account of the Debt Service Fund (v) any other funds appropriated for the payment of principal or interest on the Improvement Bonds.

(b) Utility Improvements Account. The City will continue to maintain and operate its water, sanitary sewer, and storm drainage utility fund or funds, to which will be credited all gross revenues of the water, sanitary sewer, and storm drainage utility systems

(the "Utility Systems"), and out of which will be paid all normal and reasonable expenses of current operations of such systems. Any balances therein are deemed net revenues (the "Net Revenues") and will be transferred, from time to time, to the Utility Improvement Account of the Debt Service Fund in an amount sufficient to pay the principal of and interest on the Utility Bonds, which Utility Improvements Account will be used only to pay principal of and interest on the Utility Bonds, and any other bonds similarly authorized. There is also appropriated to the Utility Improvements Account (i) any collections of taxes hereafter levied for the payment of the Utility Bonds and interest thereon, (ii) a pro rata portion of any amount over the minimum purchase price paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 2.03 hereof, (iii) all investment earnings on funds in the Utility Improvements Account of the Debt Service Fund; and (iv) any other funds appropriated for the payment of principal or interest on the Utility Bonds. The Finance Director must report to the City Council any current or anticipated deficiency in the Utility Improvements Account or in the availability of Net Revenues to pay principal of and interest on the Utility Bonds and any other bonds similarly authorized. If a payment of principal or interest on the Utility Bonds becomes due when there is not sufficient money in the Utility Improvements Account in the Debt Service Fund to pay the same, the City Finance Director is directed to pay such principal or interest from the general fund of the City, and the general fund will be reimbursed for the advances out of the proceeds of Net Revenues and taxes when collected.

4.02. Construction Fund. The City hereby creates the "General Obligation Improvement and Utility Revenue Bonds, Series 2019A Construction Fund" (the "Construction Fund") to be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The City will maintain the following accounts in the Construction Fund: the "Assessable Improvements Account" and the "Utility Improvements Account." Amounts in the Assessable Improvements Account will be used to construct the Improvements and amounts in the Utility Improvements Account will be used to construct the Utility Improvements.

(a) Assessable Improvements Account. Proceeds of the Improvement Bonds, less the appropriations made in Section 4.01(a) hereof, together with any other funds appropriated for the Improvements and the Assessments and Taxes collected during the construction of the Assessable Improvements, will be deposited in the Assessable Improvements Account of the Construction Fund to be used solely to defray expenses of the Improvements and the payment of principal of and interest on the Improvement Bonds prior to the completion and payment of all costs of the Improvements. Any balance remaining in the Assessable Improvements Account after the Improvements are completed and the cost thereof have been paid may be used as provided in Minnesota Statutes, section 475.65, under the direction of the City Council. Thereafter, the Assessable Improvements Account of the Construction Fund is to be closed and any balance remaining therein and any subsequent collections of the Assessments and Taxes for the Improvements are to be deposited in the Assessable Improvements Account of the Debt Service Fund.

(b) Utility Improvements Account. Proceeds of the Utility Improvements Bonds, less the appropriations made in Section 4.01(b) hereof, will be deposited in the Utility Improvements Account of the Construction Fund to be used solely to defray expenses of the Utility Improvements. Any balance remaining in the Utility Improvements Account after the Utility Improvements are completed and the cost thereof have been paid may be used as provided in Minnesota Statutes, section 475.65, under the direction of the City Council. Thereafter, the Utility Improvements Account of the Construction Fund is to be closed and any balance remaining therein is to be deposited in the Utility Improvements Account of the Debt Service Fund.

4.03. Tax Levy for Improvement Bonds. For the purpose of paying the principal of and interest on the Improvement Bonds, there is hereby levied a direct annual irrepealable ad valorem tax upon all of the taxable property in the City, which Taxes will be spread upon the tax rolls and collected with and as part of other general taxes of the City. Such Taxes will be credited to the Assessable Improvements Account of the Debt Service Fund above provided and will be in the years and amounts as set forth in **Exhibit C**.

The tax levy herein provided will be irrepealable until all of the Improvement Bonds are paid, provided that the City Finance Director may annually, at the time the City makes its tax levies, certify to the County Auditor the amount available in the Assessable Improvements Account of the Debt Service Fund to pay principal and interest due during the ensuing year on the Improvement Bonds, and the County Auditor will thereupon reduce the levy collectible during such year by the amount so certified.

4.04. City Covenants with Respect to the Improvement Bonds. It is hereby determined that the Improvements will directly and indirectly benefit certain property in the City, and the City hereby covenants with the holders from time to time of the Bonds as follows:

(a) The City has caused or will cause the Assessments for the Improvements to be promptly levied so that the first installment will be collectible not later than 2020 and will take all steps necessary to assure prompt collection, and the levy of the Assessments is hereby authorized. The City Council will cause to be taken with due diligence all further actions that are required for the construction of each Improvement financed wholly or partly from the proceeds of the Bonds, and will take all further actions necessary for the final and valid levy of the Assessments and the appropriation of any other funds needed to pay the Improvement Bonds and interest thereon when due.

(b) In the event of any current or anticipated deficiency in the Assessments and Taxes, the City Council will levy additional ad valorem taxes in the amount of the current or anticipated deficiency.

(c) The City will keep complete and accurate books and records showing: receipts and disbursements in connection with the Improvements, Assessments and Taxes levied therefor and other funds appropriated for their payment, collections thereof and disbursements therefrom, monies on hand and, the balance of unpaid Assessments.

(d) The City will cause its books and records to be audited at least annually and will furnish copies of such audit reports to any interested person upon request.

(e) At least 20% of the cost to the City of the Improvements described herein has been or will be specially assessed against benefited properties.

4.05 City Covenants with Respect to the Utility Bonds. The City Council covenants and agrees with the holders of the Bonds that so long as any of the Utility Bonds remain outstanding and unpaid, it will keep and enforce the following covenants and agreements:

(a) The City will continue to maintain and efficiently operate the Utility Systems as public utilities and conveniences free from competition of other like municipal utilities and will cause all revenues therefrom to be deposited in bank accounts and credited to the accounts of the Utility Systems as hereinabove provided, and will make no expenditures from those accounts except for a duly authorized purpose and in accordance with this resolution.

(b) The City will also maintain the Debt Service Fund as a separate account in the Utility Improvements Account and will cause money to be credited thereto from time to time, out of Net Revenues from the Utility Systems in sums sufficient to pay principal of and interest on the Utility Improvements Bonds when due.

(c) The City will keep and maintain proper and adequate books of records and accounts separate from all other records of the City in which will be complete and correct entries as to all transactions relating to the Utility Systems and which will be open to inspection and copying by any bondholder, or the bondholder's agent or attorney, at any reasonable time, and it will furnish certified transcripts therefrom upon request and upon payment of a reasonable fee therefor, and said account will be audited at least annually by a qualified public accountant and statements of such audit and report will be furnished to all bondholders upon request.

(d) The City Council will cause persons handling revenues of the Utility Systems to be bonded in reasonable amounts for the protection of the City and the bondholders and will cause the funds collected on account of the operations of the Utility Systems to be deposited in a bank whose deposits are guaranteed under the Federal Deposit Insurance Law.

(e) The Council will keep the Utility Systems insured at all times against loss by fire, tornado and other risks customarily insured against with an insurer or insurers in good standing, in such amounts as are customary for like plants, to protect the holders, from time to time, of the Utility Bonds and the City from any loss due to any such casualty and will apply the proceeds of such insurance to make good any such loss.

(f) The City and each and all of its officers will punctually perform all duties with reference to the Utility Systems as required by law.

(g) The City will impose and collect charges of the nature authorized by Minnesota Statutes, Section 444.075 at the times and in the amounts required to produce Net Revenues adequate to pay all principal and interest when due on the Utility Bonds and to create and maintain such reserves securing said payments as may be provided in this resolution.

(h) The City Council will levy general ad valorem taxes on all taxable property in the City, when required to meet any deficiency in pledged Net Revenues.

(i) The City hereby determines that the estimated collection of net revenues herein pledged for the payment of principal and interest on the Utility Bonds will produce at least 5% in excess of the amount needed to meet, when due, the principal and interest payments on such portion of the Bonds.

4.06 Registration of Resolution. The City Clerk is directed to file a certified copy of this resolution with the Auditor of Hennepin County and to obtain the certificate required by Section 475.63 of the Act.

4.07. Debt Service Coverage. It is hereby determined that the estimated collection of the foregoing Taxes and Assessments will produce at least 5% in excess of the amount needed to pay when due, the principal and interest payments on the Improvement Bonds and the Net Revenues herein pledged will produce at least 5% in excess of the amount needed to pay when due the principal and interest payments on the Utility Bonds.

4.08. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City will be and are hereby irrevocably pledged. If the balance in the Debt Service Fund is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency will be promptly paid out of monies in the general fund of the City which are available for such purpose, and such general fund may be reimbursed with or without interest from the Debt Service Fund when a sufficient balance is available therein.

Section 5. Authentication of Transcript.

5.01. City Proceedings and Records. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds, certified copies of proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds and such instruments, including any heretofore furnished, will be deemed representations of the City as to the facts stated therein.

5.02. Certification as to Official Statement. The Mayor, City Manager and Finance Director, or any of them, are hereby authorized and directed to certify that they have examined the Official Statement, prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is, as of the date

thereof, a complete and accurate representation of the facts and representations made therein as it relates to the City.

5.03. Other Certificates. The Mayor, City Manager, and Finance Director, or any of them, are hereby authorized and directed to furnish to the Purchaser at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing the Mayor, City Manager, and Finance Director shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation, and the Finance Director shall also execute and deliver a certificate as to payment for and delivery of the Bonds.

Section 6. Tax Covenants.

6.01 Tax-Exempt Bonds. The City covenants and agrees with the holders from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees, or agents any action which would cause the interest on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Bonds. To that end, the City will comply with all requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bonds under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments and limitations on amounts invested at a yield greater than the yield on the Bonds.

6.02. Rebate. The City will comply with requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bond under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds, and the rebate of excess investment earnings to the United States.

6.03. Not Private Activity Bonds. The City further covenants not to use the proceeds of the bonds or to cause or permit them or any of them to be used, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

6.04. No Designation of Qualified Tax-Exempt Obligations. The Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

6.05. Procedural Requirements. The City will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 7. Book-Entry System; Limited Obligation of City.

7.01. DTC. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 2.04 hereof. Upon initial issuance, the ownership of each Bond will be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns (DTC). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC.

7.02. Participants. With respect to Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the City, the Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (the "Participants") or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Registrar,) of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City, the Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the registration books kept by the Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the City Manager of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co.," will refer to such new nominee of DTC; and upon receipt of such a notice, the City Manager will promptly deliver a copy of the same to the Registrar and Paying Agent.

7.03. Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the "Representation Letter") which shall govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Bond Registrar subsequently appointed by the City with respect to the Bonds will agree to take all action necessary for all representations of the City in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

7.04. Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the City will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City will issue and the Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

7.05. Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and all notices with respect to the Bond will be made and given, respectively in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

Section 8. Continuing Disclosure.

8.01. City Compliance with Provisions of Continuing Disclosure Certificate. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this section.

8.02. Execution of Continuing Disclosure Certificate. "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Mayor and City Manager and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

Section 9. Defeasance. When all Bonds (or all of either the Improvement Bonds or Utility Bonds portion thereof) and all accrued interest thereon have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution (with respect to the Improvement Bonds or Utility Bonds portion of the Bonds, as the case may be) to holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge all Bonds (or all of either the Improvement Bonds or Utility Bonds portion thereof) which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full or by depositing irrevocably in escrow, with a suitable institution qualified by law as an escrow agent for this purpose, cash or securities which are backed by the full faith and credit of the United States of America, or any other security authorized under Minnesota law for such purpose, bearing interest payable at such times and at such rates and maturing on such dates and in such amounts as shall be required and sufficient,

subject to sale and/or reinvestment in like securities, to pay said obligation(s), which may include any interest payment on such Bond and/or principal amount due thereon at a stated maturity (or if irrevocable provision shall have been made for permitted prior redemption of such principal amount, at such earlier redemption date). If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

The motion for adoption of the foregoing resolution was duly seconded by Member _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA)
)
COUNTY OF HENNEPIN) SS.
)
CITY OF BROOKLYN CENTER)

I, the undersigned, being the duly qualified and acting City Clerk of the City of Brooklyn Center, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council held on Monday, August 12, 2019, with the original thereof on file in my office on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the issuance and sale of $9,850,000 General Obligation Improvement and Utility Revenue Bonds, Series 2019A of the City.

WITNESS My hand officially as such City Clerk and the corporate seal of the City this 12th day of August, 2019.

_____
City Clerk
City of Brooklyn Center, Minnesota

EXHIBIT A

PROPOSALS

EXHIBIT B
FORM OF BOND

No. R-_____ UNITED STATES OF AMERICA $_____
STATE OF MINNESOTA
COUNTY OF HENNEPIN
CITY OF BROOKLYN CENTER

GENERAL OBLIGATION IMPROVEMENT AND UTILITY REVENUE BOND
SERIES 2019A

Rate	Maturity	Date of Original Issue	CUSIP
	February 1, 20____	September ___, 2019	

Registered Owner: Cede & Co.

The City of Brooklyn Center, Minnesota, a duly organized and existing municipal corporation in Hennepin County, Minnesota (the "City"), acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner specified above or registered assigns, the Principal Amount specified above on the Maturity Date specified above, unless called for earlier redemption, with interest thereon from the date hereof at the annual rate specified above (calculated on the basis of a 360 day year of twelve 30 day months), payable February 1 and August 1 in each year, commencing August 1, 2010, to the person in whose name this Bond is registered at the close of business on the 15th day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by Zions Bancorporation, National Association, Chicago, Illinois, as Registrar, Authenticating Agent and Paying Agent, or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of $9,850,000, all of like original issue date and tenor, except as to number, maturity date, denomination, redemption privilege, and interest rate, issued pursuant to a resolution adopted by the City Council on August 12, 2019 (the "Resolution"), for the purpose of providing monies in part for various street improvements and various utility improvements and pursuant to and in full conformity with its home rule charter, the Constitution, and the laws of the State of Minnesota, including Minnesota Statutes, Chapters 429, 444 and 475. The principal hereof and interest hereon are payable from certain special assessments against property specially benefited by local improvements, net revenues of the water, sanitary sewer, and storm drainage utility systems and from ad valorem taxes, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged

for payment of this Bond and the City Council has obligated itself to levy additional ad valorem taxes on all taxable property in the City in the event of any deficiency in special assessments, net revenues and ad valorem taxes pledged, which additional taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of $5,000 or any integral multiple thereof of single maturities.

The City may elect on February 1, 2028, and on any date thereafter to prepay Bonds maturing on or after February 1, 2029. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify The Depository Trust Company ("DTC") of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

IT IS HEREBY CERTIFIED AND RECITED that in and by the Resolution, the City has covenanted and agreed that it will continue to own and operate the water, sanitary sewer, and storm drainage utility systems free from competition by other like municipal utilities; that adequate insurance on said systems and suitable fidelity bonds on employees will be carried; that proper and adequate books of account will be kept showing all receipts and disbursements relating to the Utility Systems fund, into which it will pay all of the gross revenues from the water, sanitary sewer, and storm drainage utility systems; that it will also create and maintain a Utility Improvements Account within the General Obligation Improvement and Utility Revenue Bonds, Series 2019A Debt Service Fund, into which it will pay, out of the net revenues from the water, sanitary sewer, and storm drainage utility systems, a sum sufficient to pay principal of and interest on the Utility Revenue Bonds when due; and that it will provide, by ad valorem tax levies, for any deficiency in required net revenues of the water, sanitary sewer, and storm drainage utility systems.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Bond Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Bond Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Bond Registrar will be affected by any notice to the contrary.

The Bond is not a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, have happened and have been performed in regular and due form, time and manner, that prior to the issuance of this bond the City Council of the City has provided funds for the payment of principal and interest on the bonds of this issue as the same become due, but the full faith and credit of the City is pledged for their payment and additional taxes will be levied, if required for such purpose, without limitation as to the rate of amount; and that this bond, together with all other indebtedness of the City outstanding on the date of its issuance, does not exceed any constitutional or statutory limitation thereon.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Bond Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Brooklyn Center, Hennepin County, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the facsimile or manual signatures of the Mayor and City Manager and has caused this Bond to be dated as of the date set forth below.

Dated: _____, 2019

CITY OF BROOKLYN CENTER, MINNESOTA

_____ _____

City Manager Mayor

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

ZIONS BANCORPORATION,
NATIONAL ASSOCIATION

By _____
Authorized Representative

ABBREVIATIONS

The following abbreviations, when used in the inscription of the face of this Bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

TEN ENT -- as tenants by entireties

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT
_____ Custodian _____
(Cust) (Minor)
under Uniform Gift or Transfer to Minors Act
of……..
(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books kept for registration of the within Bond, with full power of substitution in the premises.

Dated:_____ _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

_____

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Bond Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

_____

_____

(Include information for all joint owners if this Bond is held by joint account)

Please insert social security or other identifying number of assignee

_____

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

Date of Registration	Registered Owner	Signature of Registrar
_____, 2019	Cede & Co. Federal ID #13-2555119	_____

EXHIBIT C

IMPROVEMENT BONDS TAX LEVY

STATE OF MINNESOTA

COUNTY OF HENNEPIN

COUNTY AUDITOR'S CERTIFICATE AS TO TAX LEVY AND REGISTRATION

I, the undersigned County Auditor of Hennepin County, Minnesota, hereby certify that a certified copy of a resolution adopted by the governing body of the City of Brooklyn Center, Minnesota, on August 12, 2019, levying taxes for the payment of $9,850,000 General Obligation Improvement and Utility Revenue Bonds, Series 2019A, of said municipality dated September 12, 2019 has been filed in my office and said bonds have been entered on the register of obligations in my office and that such tax has been levied as required by law.

WITNESS My hand and official seal this _____ day of _____, 2019.

_____
County Auditor
Hennepin County, Minnesota

(SEAL)

_____
Deputy

The information contained in this Preliminary Official Statement is deemed by the City to be final as of the date hereof; however, the pricing and underwriting information is subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED JULY 24, 2019

NEW ISSUE
NOT BANK QUALIFIED

S&P Rating: Requested

In the opinion of Kennedy & Graven, Chartered, Bond Counsel for the Series 2019A Bonds, based on present federal and Minnesota laws, regulations, rulings and decisions (which excludes any pending legislation which may have a retroactive effect), and assuming compliance with certain covenants, interest to be paid on the Series 2019A Bonds is excluded from gross income for federal income tax purposes and, to the same extent, from taxable net income of individuals, estates and trusts for Minnesota income purposes, and is not a preference item for purposes of computing the federal alternative minimum tax or the Minnesota alternative minimum tax imposed on individuals, trusts, and estates. Such interest is subject to Minnesota franchise taxes on corporations (including financial institutions) measured by income. No opinion will be expressed by Kennedy & Graven, Chartered regarding other state or federal tax consequences caused by the receipt or accrual of interest on the Series 2019A Bonds or arising with respect to ownership of the Series 2019A Bonds. The Series 2019A Bonds will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations. See "TAX EXEMPTION" and "OTHER FEDERAL AND STATE TAX CONSIDERATIONS" herein.

$9,850,000*

City of Brooklyn Center, Minnesota

General Obligation Improvement and Utility Revenue Bonds, Series 2019A (the "Series 2019A Bonds")

(Book Entry Only)

Dated Date: Date of Delivery

Interest Due: Each February 1 and August 1, commencing August 1, 2020

The Bonds will mature February 1 in the years and amounts* as follows:

2021	$760,000	2023	$930,000	2025	$ 945,000	2027	$1,085,000	2029	$1,100,000
2022	$810,000	2024	$935,000	2026	$1,070,000	2028	$1,095,000	2030	$1,120,000

Proposals for the Series 2019A Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption scheduled to conform to the maturity schedule set forth above.

The City may elect on February 1, 2028, and on any day thereafter, to redeem Series 2019A Bonds due on or after February 1, 2029 at a price of par plus accrued interest.

The Series 2019A Bonds are general obligations of the City for which the City pledges its full faith and credit and power to levy direct general ad valorem taxes. In addition, the City will pledge special assessments against benefited properties and net revenues of the City's water, sanitary sewer, and storm drainage utility funds for repayment of a portion of the Series 2019A Bonds. The proceeds of the Series 2019A Bonds will be used to finance (i) various street improvements within the City and (ii) various utility improvements within the City.

Proposals shall be for not less than $9,771,200 plus accrued interest, if any, on the total principal amount of the Series 2019A Bonds. Proposals shall specify rates in integral multiples of 1/100 or 1/8 of 1%. The initial price to the public for each maturity as stated on the proposal must be 98.0% or greater. Following receipt of proposals, a good faith deposit will be required to be delivered to the City by the lowest bidder as described in the "Terms of Proposal" herein. Award of the Series 2019A Bonds will be made on the basis of True Interest Cost (TIC).

The Series 2019A Bonds will be issued as fully registered bonds without coupons and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Series 2019A Bonds. Individual purchases may be made in book entry form only, in the principal amount of $5,000 and integral multiples thereof. Investors will not receive physical certificates representing their interest in the Series 2019A Bonds purchased. (See "Book Entry System" herein.) Zions Bancorporation, National Association, Chicago, Illinois will serve as registrar (the "Registrar") for the Series 2019A Bonds. The Series 2019A Bonds will be available for delivery at DTC on or about September 12, 2019.

PROPOSALS RECEIVED: Monday, August 12, 2019 until 10:00 A.M., Central Time
CONSIDERATION OF AWARD: Council meeting commencing at 7:00 P.M., Central Time on Monday, August 12, 2019

bakertilly
MUNICIPAL ADVISORS
now joined with
Springsted and Umbaugh

Further information may be obtained from Baker Tilly Municipal Advisors, LLC, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101-2887 (651) 223-3000.

* *Preliminary; subject to change.*

CITY OF BROOKLYN CENTER, MINNESOTA

CITY COUNCIL

Mike Elliott	Mayor
Marquita Butler	Council Member
April Graves	Council Member
Kris Lawrence-Anderson	Council Member
Dan Ryan	Council Member

CITY MANAGER

Cornelius L. Boganey

DIRECTOR OF FISCAL AND SUPPORT SERVICES

Nathan Reinhardt

MUNICIPAL ADVISOR

Baker Tilly Municipal Advisors, LLC
Saint Paul, Minnesota

BOND COUNSEL

Kennedy & Graven, Chartered
Minneapolis, Minnesota

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or corrected by the City from time to time, may be treated as a Preliminary Official Statement with respect to the Series 2019A Bonds described herein that is deemed final as of the date hereof (or of any such supplement or correction) by the City.

By awarding the Series 2019A Bonds to any underwriter or underwriting syndicate submitting a Proposal therefor, the City agrees that, no more than seven business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which the Series 2019A Bonds are awarded copies of the Final Official Statement in the amount specified in the Terms of Proposal.

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations with respect to the Series 2019A Bonds, other than as contained in the Preliminary Official Statement or the Final Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the City.

Certain information contained in the Preliminary Official Statement or the Final Official Statement may have been obtained from sources other than records of the City and, while believed to be reliable, is not guaranteed as to completeness or accuracy. THE INFORMATION AND EXPRESSIONS OF OPINION IN THE PRELIMINARY OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE PRELIMINARY OFFICIAL STATEMENT NOR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE CITY SINCE THE RESPECTIVE DATE THEREOF.

References herein to laws, rules, regulations, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Preliminary Official Statement or the Final Official Statement, they will be furnished upon request.

Any CUSIP numbers for the Series 2019A Bonds included in the Final Official Statement are provided for convenience of the owners and prospective investors. The CUSIP numbers for the Series 2019A Bonds are assigned by an organization unaffiliated with the City. The City is not responsible for the selection of the CUSIP numbers and makes no representation as to the accuracy thereof as printed on the Series 2019A Bonds or as set forth in the Final Official Statement. No assurance can be given by the City that the CUSIP numbers for the Series 2019A Bonds will remain the same after the delivery of the Final Official Statement or the date of issuance and delivery of the Series 2019A Bonds.

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THE CITY HAS AUTHORIZED BAKER TILLY MUNICIPAL ADVISORS, LLC TO NEGOTIATE THIS ISSUE ON ITS BEHALF. PROPOSALS WILL BE RECEIVED ON THE FOLLOWING BASIS:

TERMS OF PROPOSAL

$9,850,000*

CITY OF BROOKLYN CENTER, MINNESOTA

GENERAL OBLIGATION IMPROVEMENT AND UTILITY REVENUE BONDS, SERIES 2019A

(BOOK ENTRY ONLY)

Proposals for the above-referenced obligations (the "Series 2019A Bonds") will be received by the City of Brooklyn Center, Minnesota (the "City") on Monday, August 12, 2019 (the "Sale Date") until 10:00 A.M., Central Time at the offices of Baker Tilly Municipal Advisors, LLC ("Baker Tilly MA"), 380 Jackson Street, Suite 300, Saint Paul, Minnesota, 55101, after which time proposals will be opened and tabulated. Consideration for award of the Series 2019A Bonds will be by the City Council at its meeting commencing at 7:00 P.M., Central Time, of the same day.

SUBMISSION OF PROPOSALS

Baker Tilly MA will assume no liability for the inability of a bidder to reach Baker Tilly MA prior to the time of sale specified above. All bidders are advised that each proposal shall be deemed to constitute a contract between the bidder and the City to purchase the Series 2019A Bonds regardless of the manner in which the proposal is submitted.

(a) ***Sealed Bidding.*** Proposals may be submitted in a sealed envelope or by fax (651) 223-3046 to Baker Tilly MA. Signed proposals, without final price or coupons, may be submitted to Baker Tilly MA prior to the time of sale. The bidder shall be responsible for submitting to Baker Tilly MA the final proposal price and coupons, by telephone (651) 223-3000 or fax (651) 223-3046 for inclusion in the submitted proposal.

OR

(b) ***Electronic Bidding.*** Notice is hereby given that electronic proposals will be received via PARITY®. For purposes of the electronic bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all proposals submitted to PARITY®. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY® for purposes of submitting its electronic proposal in a timely manner and in compliance with the requirements of the Terms of Proposal*. Neither the City, its agents, nor PARITY® shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the City, its agents, nor PARITY® shall be responsible for a bidder's failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY®. The City is using the services of PARITY® solely as a communication mechanism to conduct the electronic bidding for the Series 2019A Bonds, and PARITY® is not an agent of the City.

If any provisions of this Terms of Proposal conflict with information provided by PARITY®, this Terms of Proposal shall control. Further information about PARITY®, including any fee charged, may be obtained from:

PARITY®, 1359 Broadway, 2nd Floor, New York, New York 10018
Customer Support: (212) 849-5000

* *Preliminary; subject to change.*

Baker Tilly Municipal Advisors, LLC is a registered municipal advisor and wholly-owned subsidiary of Baker Tilly Virchow Krause, LLP, an accounting firm. Baker Tilly Virchow Krause, LLP trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. © 2019 Baker Tilly Municipal Advisors, LLC.

DETAILS OF THE SERIES 2019A BONDS

The Series 2019A Bonds will be dated as of the date of delivery and will bear interest payable on February 1 and August 1 of each year, commencing August 1, 2020. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Series 2019A Bonds will mature February 1 in the years and amounts* as follows:

2021	$760,000	2023	$930,000	2025	$ 945,000	2027	$1,085,000	2029	$1,100,000
2022	$810,000	2024	$935,000	2026	$1,070,000	2028	$1,095,000	2030	$1,120,000

* *The City reserves the right, after proposals are opened and prior to award, to increase or reduce the principal amount of the Series 2019A Bonds or the amount of any maturity or maturities in multiples of $5,000. In the event the amount of any maturity is modified, the aggregate purchase price will be adjusted to result in the same gross spread per $1,000 of Series 2019A Bonds as that of the original proposal. Gross spread for this purpose is the differential between the price paid to the City for the new issue and the prices at which the proposal indicates the securities will be initially offered to the investing public.*

Proposals for the Series 2019A Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption scheduled to conform to the maturity schedule set forth above. In order to designate term bonds, the proposal must specify "Years of Term Maturities" in the spaces provided on the proposal form.

BOOK ENTRY SYSTEM

The Series 2019A Bonds will be issued by means of a book entry system with no physical distribution of Series 2019A Bonds made to the public. The Series 2019A Bonds will be issued in fully registered form and one Series 2019A Bond, representing the aggregate principal amount of the Series 2019A Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the Series 2019A Bonds. Individual purchases of the Series 2019A Bonds may be made in the principal amount of $5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Series 2019A Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The lowest bidder (the "Purchaser"), as a condition of delivery of the Series 2019A Bonds, will be required to deposit the Series 2019A Bonds with DTC.

REGISTRAR

The City will name the registrar which shall be subject to applicable regulations of the Securities and Exchange Commission. The City will pay for the services of the registrar.

OPTIONAL REDEMPTION

The City may elect on February 1, 2028, and on any day thereafter, to redeem Series 2019A Bonds due on or after February 1, 2029. Redemption may be in whole or in part and if in part at the option of the City and in such manner as the City shall determine. If less than all Series 2019A Bonds of a maturity are called for redemption, the City will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All redemptions shall be at a price of par plus accrued interest.

SECURITY AND PURPOSE

The Series 2019A Bonds will be general obligations of the City for which the City will pledge its full faith and credit and power to levy direct general ad valorem taxes. In addition, the City will pledge special assessments against benefited properties and net revenues of the City's water, sanitary sewer, and storm drainage utility funds for repayment of a portion of the Series 2019A Bonds. The proceeds of the Series 2019A Bonds will be used to finance (i) various street improvements within the City and (ii) various utility improvements within the City.

BIDDING PARAMETERS

Proposals shall be for not less than $9,771,200 plus accrued interest, if any, on the total principal amount of the Series 2019A Bonds. No proposal can be withdrawn or amended after the time set for receiving proposals on the Sale Date unless the meeting of the City scheduled for award of the Series 2019A Bonds is adjourned, recessed, or continued to another date without award of the Series 2019A Bonds having been made. Rates shall be in integral multiples of 1/100 or 1/8 of 1%. The initial price to the public for each maturity as stated on the proposal must be 98.0% or greater. Series 2019A Bonds of the same maturity shall bear a single rate from the date of the Series 2019A Bonds to the date of maturity. No conditional proposals will be accepted.

ESTABLISHMENT OF ISSUE PRICE

In order to provide the City with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder (collectively, the "Code"), the Purchaser will be required to assist the City in establishing the issue price of the Series 2019A Bonds and shall complete, execute, and deliver to the City prior to the closing date, a written certification in a form acceptable to the Purchaser, the City, and Bond Counsel (the "Issue Price Certificate") containing the following for each maturity of the Series 2019A Bonds (and, if different interest rates apply within a maturity, to each separate CUSIP number within that maturity): (i) the interest rate; (ii) the reasonably expected initial offering price to the "public" (as said term is defined in Treasury Regulation Section 1.148-1(f) (the "Regulation")) or the sale price; and (iii) pricing wires or equivalent communications supporting such offering or sale price. Any action to be taken or documentation to be received by the City pursuant hereto may be taken or received on behalf of the City by Baker Tilly MA.

The City intends that the sale of the Series 2019A Bonds pursuant to this Terms of Proposal shall constitute a "competitive sale" as defined in the Regulation based on the following:

(i) the City shall cause this Terms of Proposal to be disseminated to potential bidders in a manner that is reasonably designed to reach potential bidders;
(ii) all bidders shall have an equal opportunity to submit a bid;
(iii) the City reasonably expects that it will receive bids from at least three bidders that have established industry reputations for underwriting municipal bonds such as the Series 2019A Bonds; and
(iv) the City anticipates awarding the sale of the Series 2019A Bonds to the bidder who provides a proposal with the lowest true interest cost, as set forth in this Terms of Proposal (See "AWARD" herein).

Any bid submitted pursuant to this Terms of Proposal shall be considered a firm offer for the purchase of the Series 2019A Bonds, as specified in the proposal. The Purchaser shall constitute an "underwriter" as said term is defined in the Regulation. By submitting its proposal, the Purchaser confirms that it shall require any agreement among underwriters, a selling group agreement, or other agreement to which it is a party relating to the initial sale of the Series 2019A Bonds, to include provisions requiring compliance with the provisions of the Code and the Regulation regarding the initial sale of the Series 2019A Bonds.

If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the Purchaser of such fact prior to the time of award of the sale of the Series 2019A Bonds to the Purchaser. **In such event, any proposal submitted will not be subject to cancellation or withdrawal.** Within twenty-four (24) hours of the notice of award of the sale of the Series 2019A Bonds, the Purchaser shall advise the City and Baker Tilly MA if 10% of any maturity of the Series 2019A Bonds (and, if different interest rates apply within a maturity, to each separate CUSIP number within that maturity) has been sold to the public and the price at which it was sold. The City will treat such sale price as the "issue price" for such maturity, applied on a maturity-by-maturity basis. The City will not require the Purchaser to comply with that portion of the Regulation commonly described as the "hold-the-offering-price" requirement for the remaining maturities, but the Purchaser may elect such option. If the Purchaser exercises such option, the City will apply the initial offering price to the public provided in the proposal as the issue price for such maturities. If the Purchaser does not exercise that option, it shall thereafter promptly provide the City and Baker Tilly MA the prices at which 10% of such maturities are sold to the public; provided such determination shall be made and the City and Baker Tilly MA notified of such prices whether or not the closing date has occurred, until the 10% test has been satisfied as to each maturity of the Series 2019A Bonds or until all of the Series 2019A Bonds of a maturity have been sold.

GOOD FAITH DEPOSIT

To have its proposal considered for award, the Purchaser is required to submit a good faith deposit to the City in the amount of $98,500 (the "Deposit") no later than 1:00 P.M., Central Time on the Sale Date. The Deposit may be delivered as described herein in the form of either (i) a certified or cashier's check payable to the City; or (ii) a wire transfer. The Purchaser shall be solely responsible for the timely delivery of its Deposit whether by check or wire transfer. Neither the City nor Baker Tilly MA have any liability for delays in the receipt of the Deposit. If the Deposit is not received by the specified time, the City may, at its sole discretion, reject the proposal of the lowest bidder, direct the second lowest bidder to submit a Deposit, and thereafter award the sale to such bidder.

Certified or Cashier's Check. A Deposit made by certified or cashier's check will be considered timely delivered to the City if it is made payable to the City and delivered to Baker Tilly Municipal Advisors, LLC, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101 by the time specified above.

Wire Transfer. A Deposit made by wire will be considered timely delivered to the City upon submission of a federal wire reference number by the specified time. Wire transfer instructions will be available from Baker Tilly MA following the receipt and tabulation of proposals. The successful bidder must send an e-mail including the following information: (i) the federal reference number and time released; (ii) the amount of the wire transfer; and (iii) the issue to which it applies.

Once an award has been made, the Deposit received from the Purchaser will be retained by the City and no interest will accrue to the Purchaser. The amount of the Deposit will be deducted at settlement from the purchase price. In the event the Purchaser fails to comply with the accepted proposal, said amount will be retained by the City.

AWARD

The Series 2019A Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis calculated on the proposal prior to any adjustment made by the City. The City's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling.

The City will reserve the right to: (i) waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Series 2019A Bonds, (ii) reject all proposals without cause, and (iii) reject any proposal that the City determines to have failed to comply with the terms herein.

BOND INSURANCE AT PURCHASER'S OPTION

The City has **not** applied for or pre-approved a commitment for any policy of municipal bond insurance with respect to the Series 2019A Bonds. If the Series 2019A Bonds qualify for municipal bond insurance and a bidder desires to purchase a policy, such indication, the maturities to be insured, and the name of the desired insurer must be set forth on the bidder's proposal. The City specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the City. All costs associated with the issuance and administration of such policy and associated ratings and expenses (other than any independent rating requested by the City) shall be paid by the successful bidder. Failure of the municipal bond insurer to issue the policy after the award of the Series 2019A Bonds shall not constitute cause for failure or refusal by the successful bidder to accept delivery of the Series 2019A Bonds.

CUSIP NUMBERS

If the Series 2019A Bonds qualify for the assignment of CUSIP numbers such numbers will be printed on the Series 2019A Bonds; however, neither the failure to print such numbers on any Series 2019A Bond nor any error with respect thereto will constitute cause for failure or refusal by the Purchaser to accept delivery of the Series 2019A Bonds. Baker Tilly MA will apply for CUSIP numbers pursuant to Rule G-34 implemented by the Municipal Securities Rulemaking Board. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the Purchaser.

SETTLEMENT

On or about September 12, 2019, the Series 2019A Bonds will be delivered without cost to the Purchaser through DTC in New York, New York. Delivery will be subject to receipt by the Purchaser of an approving legal opinion of Kennedy & Graven, Chartered of Minneapolis, Minnesota, and of customary closing papers, including a no-litigation certificate. On the date of settlement, payment for the Series 2019A Bonds shall be made in federal, or equivalent, funds that shall be received at the offices of the City or its designee not later than 12:00 Noon, Central Time. Unless compliance with the terms of payment for the Series 2019A Bonds has been made impossible by action of the City, or its agents, the Purchaser shall be liable to the City for any loss suffered by the City by reason of the Purchaser's non-compliance with said terms for payment.

CONTINUING DISCLOSURE

In accordance with SEC Rule 15c2-12(b)(5), the City will undertake, pursuant to the resolution awarding sale of the Series 2019A Bonds, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Official Statement. The Purchaser's obligation to purchase the Series 2019A Bonds will be conditioned upon receiving evidence of this undertaking at or prior to delivery of the Series 2019A Bonds.

OFFICIAL STATEMENT

The City has authorized the preparation of a Preliminary Official Statement containing pertinent information relative to the Series 2019A Bonds, and said Preliminary Official Statement has been deemed final by the City as of the date thereof within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For copies of the Preliminary Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Municipal Advisor to the City, Baker Tilly Municipal Advisors, LLC, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101, telephone (651) 223-3000.

A Final Official Statement (as that term is defined in Rule 15c2-12) will be prepared, specifying the maturity dates, principal amounts, and interest rates of the Series 2019A Bonds, together with any other information required by law. By awarding the Series 2019A Bonds to the Purchaser, the City agrees that, no more than seven business days after the date of such award, it shall provide without cost to the Purchaser up to 25 copies of the Final Official Statement. The City designates the Purchaser as its agent

for purposes of distributing copies of the Final Official Statement to each syndicate member, if applicable. The Purchaser agrees that if its proposal is accepted by the City, (i) it shall accept designation and (ii) it shall enter into a contractual relationship with its syndicate members for purposes of assuring the receipt of the Final Official Statement by each such syndicate member.

Dated July 22, 2019

BY ORDER OF THE CITY COUNCIL

/s/ Barb Suciu
City Clerk

OFFICIAL STATEMENT

$9,850,000*

CITY OF BROOKLYN CENTER, MINNESOTA

GENERAL OBLIGATION IMPROVEMENT AND UTILITY REVENUE BONDS, SERIES 2019A

(BOOK ENTRY ONLY)

INTRODUCTORY STATEMENT

This Official Statement contains certain information relating to the City of Brooklyn Center, Minnesota (the "City") and its issuance of $9,850,000* General Obligation Improvement and Utility Revenue Bonds, Series 2019A (the "Series 2019A Bonds"). The Series 2019A Bonds are general obligations of the City for which it pledges its full faith and credit and power to levy direct general ad valorem taxes. In addition, the City will pledge special assessments against benefited properties and net revenues of the City's water, sanitary sewer, and storm drainage utility funds for repayment of a portion of the Series 2019A Bonds.

Inquiries may be directed to Mr. Nathan Reinhardt, Director of Fiscal and Support Services, City of Brooklyn Center, 6301 Shingle Creek Parkway, Brooklyn Center, Minnesota 55430, by telephoning (763) 569-3345, or by e-mailing nreinhardt@ci.brooklyn-center.mn.us. Inquiries may also be made to Baker Tilly Municipal Advisors, LLC, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101-2887, by telephoning (651) 223-3000, or by e-mailing bo bond_services@bakertilly.com.

CONCURRENT FINANCING

By means of a separate Official Statement, the Economic Development Authority of the City of Brooklyn Center, Minnesota (the "Authority") expects to price its $2,620,000* Lease Revenue Bonds (Liquor Store Project), Series 2019B (the "Series 2019B Bonds") via a negotiated sale. The Series 2019B Bonds are being issued by the Authority pursuant to Minnesota Statutes, Sections 426.19 and 465.71, as amended. Proceeds of the Series 2019B Bonds will be used by the Authority to finance the acquisition of property and construction for a new municipal liquor store.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with SEC Rule 15c2-12 (the "Rule"), pursuant to the Awarding Resolution, the City has covenanted to comply with the continuing disclosure undertaking (the "Undertaking") for the benefit of holders or beneficial owners of the Series 2019A Bonds to provide certain financial information and operating data relating to the City to the Municipal Securities Rulemaking Board annually, and to provide notices of the occurrence of certain events enumerated in the Rule to the Municipal Securities Rulemaking Board and to any state information depository. The specific nature of the Undertaking, as well as the information to be contained in the annual report or the notices of material events, is set forth in the Undertaking in substantially the form attached hereto as Appendix II, subject to such modifications thereof or additions thereto as: (i) consistent with requirements under the Rule, (ii) required by the purchaser of the Bonds from the City, and (iii) acceptable to the Mayor and the Manager of the City.

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* *Preliminary; subject to change.*

The City believes it has complied for the past five years in accordance with the terms of its previous continuing disclosure undertakings entered into pursuant to the Rule, except to the extent the following are deemed to be material. In reviewing its past disclosure practices, the City notes the following:

- Prior continuing disclosure undertakings entered into by the City included language stating that the City's audited financial statements would be filed "as soon as available." Although not always filed "as soon as available," the audited financial statements were filed within the required twelve (12) month timeframe as required in each undertaking.

A failure by the City to comply with the Undertaking will not constitute an event of default on the Series 2019A Bonds (although holders or other beneficial owners of the Series 2019A Bonds will have the sole remedy of bringing an action for specific performance). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2019A Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2019A Bonds and their market price.

THE SERIES 2019A BONDS

General Description

The Series 2019A Bonds are dated as of the date of delivery and will mature annually on February 1 as set forth on the front cover of this Official Statement. The Series 2019A Bonds are issued in book entry form. Interest on the Series 2019A Bonds is payable on February 1 and August 1 of each year, commencing August 1, 2020. Interest will be payable to the holder (initially Cede & Co.) registered on the books of the Registrar as of the fifteenth day of the calendar month next preceding such interest payment date. Interest will be computed on the basis of a 360-day year of twelve 30-day months. Principal of and interest on the Series 2019A Bonds will be paid as described in the section herein entitled "Book Entry System." Zions Bancorporation, National Association, Chicago, Illinois will serve as Registrar for the Series 2019A Bonds, and the City will pay for registrar services.

Redemption Provisions

Mailed notice of redemption shall be given to the registered owner(s) of the Series 2019A Bonds in accordance with the requirements of DTC which currently requires no less than twenty (20) days nor more than sixty (60) days prior to the redemption date. Failure to give such written notice to any registered owner of the Series 2019A Bonds or any defect therein shall not affect the validity of any proceedings for the redemption of the Series 2019A Bonds. All Series 2019A Bonds or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment.

Optional Redemption

The City may elect on February 1, 2028, and on any day thereafter, to redeem Series 2019A Bonds due on or after February 1, 2029. Redemption may be in whole or in part and if in part at the option of the City and in such manner as the City shall determine. If less than all the Series 2019A Bonds of a maturity are called for redemption, the City will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All redemptions shall be at a price of par plus accrued interest.

Book Entry System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2019A Bonds. The Series 2019A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Series 2019A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2019A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2019A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2019A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2019A Bonds, except in the event that use of the book-entry system for the Series 2019A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2019A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2019A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2019A Bonds may wish to take certain steps to

augment the transmission to them of notices of significant events with respect to the Series 2019A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2019A Bond documents. For example, Beneficial Owners of the Series 2019A Bonds may wish to ascertain that the nominee holding the Series 2019A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2019A Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2019A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2019A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2019A Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or its agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or its agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2019A Bonds at any time by giving reasonable notice to City or its agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

AUTHORITY AND PURPOSE

The Series 2019A Bonds are being issued pursuant to Minnesota Statutes, Chapters 429, 444, and 475. The proceeds of the Series 2019A Bonds will be used to finance (i) various street improvements within the City (the "Improvement Portion") and (ii) various utility improvements within the City (the "Utility Portion").

SOURCES AND USES OF FUNDS

The composition of the Series 2019A Bonds is estimated to be as follows:

	Improvement Portion	Utility Portion	Total
Sources of Funds:			
Principal Amount	$4,050,000	$5,800,000	$9,850,000
Total Sources of Funds	$4,050,000	$5,800,000	$9,850,000
Uses of Funds:			
Deposit to Project Funds	$3,987,586	$5,710,614	$9,698,200
Allowance for Discount Bidding	32,400	46,400	78,800
Estimated Costs of Issuance	30,014	42,986	73,000
Total Uses of Funds	$4,050,000	$5,800,000	$9,850,000

SECURITY AND FINANCING

The Series 2019A Bonds will be general obligations of the City for which the City will pledge its full faith and credit and power to levy direct general ad valorem taxes. Additional sources of security for the Series 2019A Bonds are discussed below.

Improvement Portion

The City pledges special assessments against benefited properties for repayment of the Improvement Portion of the Series 2019A Bonds. Special assessments in the principal amount of approximately $2,371,810 are expected to be filed in 2019 for first collection in 2020. Assessments will be filed over a term of ten years with equal annual payments of principal. Interest on the unpaid balance will be charged at an interest rate of 4.00%.

The City will also levy taxes for repayment of a portion of the Improvement Portion of the Series 2019A Bonds, and will make its first levy in 2019 for collection in 2020. Each year's collection of taxes and special assessments, if collected in full, will be sufficient to pay 105% of the interest payment due August 1 of the collection year and the principal and interest payment due February 1 of the following year.

Utility Portion

Pursuant to Minnesota Statutes, Chapter 444, and the resolution awarding the sale of the Series 2019A Bonds, the City will covenant to impose and collect charges for the service, use, availability and connection to the water, storm drainage, and sanitary sewer utilities (the "Utilities") to produce net revenues in amounts sufficient to support the operation of the Utilities and to pay 105% of debt service on obligations to which it has pledged the net revenues of the Utilities, including the Utility Portion of the Series 2019A Bonds. The City is required to annually review the budget of the Utilities to determine whether current rates and charges are sufficient and to adjust such rates and charges as necessary. The City does not anticipate the need to levy taxes for repayment of the Utility Portion of the Series 2019A Bonds.

FUTURE FINANCING

With the exception of the issue discussed in the "CONCURRENT FINANCING" section herein, the City does not anticipate issuing any additional long-term general obligation debt for at least the next 90 days.

LITIGATION

The City is not aware of any threatened or pending litigation affecting the validity of the Series 2019A Bonds or the City's ability to meet its financial obligations.

LEGALITY

The Series 2019A Bonds are subject to approval as to certain matters by Kennedy & Graven, Chartered, of Minneapolis, Minnesota, as Bond Counsel. Bond Counsel has not participated in the preparation of this Official Statement and will not pass upon its accuracy, completeness, or sufficiency. Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements or data contained in this Official Statement and will express no opinion with respect thereto. A legal opinion in substantially the form set out in Appendix I herein will be delivered at closing.

TAX EXEMPTION

At closing Kennedy & Graven, Chartered, of Minneapolis, Minnesota, Bond Counsel for the Series 2019A Bonds, will render an opinion that, at the time of their issuance and delivery to the original purchaser, under present federal and State of Minnesota laws, regulations, rulings and decisions (which excludes any pending legislation which may have a retroactive effect), the interest on the Series 2019A Bonds is excluded from gross income for purposes of United States income tax and is excluded, to the same extent, from taxable net income of individuals, estates and trusts for Minnesota income purposes, and is not a preference item for purposes of computing the federal alternative minimum tax or the Minnesota alternative minimum tax imposed on individuals, trusts, and estates. Such interest is subject to Minnesota franchise taxes on corporations (including financial institutions) measured by income. No opinion will be expressed by Kennedy & Graven regarding other federal or state tax consequences caused by the receipt or accrual of interest on the Series 2019A Bonds or arising with respect to ownership of the Series 2019A Bonds. Preservation of the exclusion of interest on the Series 2019A Bonds from federal gross income and state gross and taxable net income, however, depends upon compliance by the City with all requirements of the Internal Revenue Code of 1986, as amended, (the "Code") that must be satisfied subsequent to the issuance of the Series 2019A Bonds in order that interest thereon be (or continue to be) excluded from federal gross income and state gross and taxable net income.

The City will covenant to comply with requirements necessary under the Code to establish and maintain the Series 2019A Bonds as tax-exempt under Section 103 thereof, including without limitation, requirements relating to temporary periods for investments and limitations on amounts invested at a yield greater than the yield on the Series 2019A Bonds.

OTHER FEDERAL AND STATE TAX CONSIDERATIONS

Property and Casualty Insurance Companies

Property and casualty insurance companies are required to reduce the amount of their loss reserve deduction by the applicable percentage of the amount of tax-exempt interest received or accrued during the taxable year on certain obligations, including interest on the Series 2019A Bonds.

Foreign Insurance Companies

Foreign companies carrying on an insurance business in the United States are subject to a tax on income which is effectively connected with their conduct of any trade or business in the United States, including "net investment income." Net investment income includes tax-exempt interest such as interest on the Series 2019A Bonds.

Branch Profits Tax

A foreign corporation is subject to a branch profits tax imposed by Section 884 of the Code. A branch's earnings and profits may include tax-exempt municipal bond interest, such as interest on the Series 2019A Bonds.

Passive Investment Income of S Corporations

Passive investment income, including interest on the Series 2019A Bonds, may be subject to federal income taxation under Section 1375 of the Code for an S corporation that has Subchapter C earnings and profits at the close of the taxable year if more than a certain percentage of the gross receipts of such S corporation is passive investment income.

General

The preceding is not a comprehensive list of all federal or State tax consequences which may arise from the receipt or accrual of interest on the Series 2019A Bonds. The receipt or accrual of interest on the Series 2019A Bonds may otherwise affect the federal income tax (or Minnesota income tax or franchise tax) liability of the recipient based on the particular taxes to which the recipient is subject and the particular tax status of other items of income or deductions. All prospective purchasers of the Series 2019A Bonds are advised to consult their own tax advisors as to the tax consequences of, or tax considerations for, purchasing or holding the Series 2019A Bonds.

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will not designate the Series 2019A Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

RATING

Application for a rating of the Series 2019A Bonds has been made to S&P Global Ratings ("S&P"), 55 Water Street, New York, New York. If a rating is assigned, it will reflect only the opinion of S&P. Any explanation of the significance of the rating may be obtained only from S&P.

There is no assurance that a rating, if assigned, will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of S&P, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Series 2019A Bonds.

MUNICIPAL ADVISOR

The City has retained Baker Tilly Municipal Advisors, LLC, of Saint Paul, Minnesota as municipal advisor in connection with certain aspects of the issuance of the Series 2019A Bonds. In preparing this Official Statement, Baker Tilly Municipal Advisors, LLC has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for this Official Statement. Baker Tilly Municipal Advisors, LLC has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. Baker Tilly Municipal Advisors, LLC is an independent advisory firm, registered as a municipal advisor, and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

CERTIFICATION

The City has authorized the distribution of the Preliminary Official Statement for use in connection with the initial sale of the Series 2019A Bonds and a Final Official Statement following award of the Series 2019A Bonds. The Purchaser will be furnished with a certificate signed by the appropriate officers of the City stating that the City examined each document and that, as of the respective date of each and the date of such certificate, each document did not and does not contain any untrue statement of material fact or omit to state a material fact necessary, in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

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CITY PROPERTY VALUES

Trend of Values[(a)]

Assessment/ Collection Year	Assessor's Estimated Market Value	Sales Ratio[(b)]	Economic Market Value[(c)]	Market Value Homestead Exclusion	Taxable Market Value	Adjusted Taxable Net Tax Capacity
2018/19	$2,234,245,900	89.6%	$2,499,069,716	$144,494,942	$2,081,039,958	$26,538,221
2017/18	2,054,586,200	94.5	2,178,582,990	154,116,646	1,892,639,554	25,120,921
2016/17	1,870,150,101	92.5	2,028,801,815	163,771,285	1,699,535,316	22,841,269
2015/16	1,778,802,900	93.7	1,898,823,284	166,968,111	1,605,660,789	21,570,419
2014/15	1,667,663,500	83.0	2,008,478,171	173,160,024	1,489,548,076	20,703,061

(a) *For a description of the Minnesota property tax system, see Appendix III.*

(a) *Sales Ratio Study for the year of assessment as posted by the Minnesota Department of Revenue, https://www.revenue.state.mn.us/economic-market-values.*

(c) *Economic market values for the year of assessment as posted by the Minnesota Department of Revenue, https://www.revenue.state.mn.us/economic-market-values.*

Source: Hennepin County, Minnesota, April 2019, except as otherwise noted.

2018/19 Adjusted Taxable Net Tax Capacity: $26,538,221

Real Estate:		
Residential Homestead	$13,248,557	51.10%
Commercial/Industrial, Railroad, and Public Utility	9,066,714	34.97
Residential Non-Homestead	3,197,885	12.33
Seasonal Recreational and Other	11,910	0.05
Personal Property	412,752	1.59
2018/19 Net Tax Capacity	$25,937,818	100.00%
Less: Captured Tax Increment	(3,873,826)	
Contribution to Fiscal Disparities	(3,196,246)	
Plus: Distribution from Fiscal Disparities	7,670,475	
2018/19 Adjusted Taxable Net Tax Capacity	$26,538,221	

Ten of the Largest Taxpayers in the City

Taxpayer	Type of Property	2018/19 Net Tax Capacity
The Luther Company LLC	Car Dealer	$ 806,610
The Molasky Group of COS	FBI Regional Headquarters	471,050
TLN Lanel Ltd Partnership	Apartments	259,088
Brookdale Corner LLC	Retail	253,010
Lake Point Apartments LLC	Apartments	252,150
G B Homes LLC	Custom Home Builders	251,863
Brooklyn Hotel Partners	Hotel	244,250
Medtronic Inc.	Industrial	227,630
Melrose Gates LLC	Apartments	217,888
Wal-Mart Stores Inc.	Retail	199,250
Total		$3,182,789*

* *Represents 12.0% of the City's 2018/19 adjusted taxable net tax capacity.*

CITY INDEBTEDNESS

Legal Debt Limit and Debt Margin*

Legal Debt Limit (3% of 2018/19 Estimated Market Value)	$67,027,377
Less: Outstanding Debt Subject to Limit	0
Legal Debt Margin as of September 26, 2019	$67,027,377

* *The legal debt margin is referred to statutorily as the "Net Debt Limit" and may be increased by debt service funds and current revenues which are applicable to the payment of debt in the current fiscal year.*

NOTES: Certain types of debt are not subject to the legal debt limit. See Appendix III – Debt Limitations.

General Obligation Special Assessment Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 9-26-19
12-19-13	$4,920,000	Improvements	2-1-2024	$ 2,030,000
7-9-15	5,240,000	Improvements	2-1-2026	3,720,000
10-13-16	1,820,000	Street Improvements	2-1-2027	1,495,000
6-8-17	3,735,000	Street Improvements	2-1-2028	3,385,000
7-10-18	3,835,000	Street Improvements	2-1-2029	3,835,000
9-12-19	4,050,000	Street Improvements (the Improvement Portion of the Series 2019A Bonds)	2-1-2030	4,050,000
Total				$18,515,000

General Obligation Tax Increment Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 9-26-19
12-19-13	$6,040,000	Taxable Tax Increment	2-1-2022	$4,670,000
7-9-15	6,600,000	Taxable Tax Increment Refunding	2-1-2020	1,730,000
12-8-16	2,075,000	Tax Increment Refunding	2-1-2029	2,075,000
12-8-16	1,725,000	Taxable Tax Increment Refunding	2-1-2023	1,175,000
Total				$9,650,000

General Obligation Utility Revenue Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 9-26-19
7-9-15	$1,660,000	Utility Revenue Refunding	2-1-2025	$ 1,025,000
10-13-16	3,605,000	Utility Revenue	2-1-2027	2,965,000
6-8-17	4,880,000	Utility Revenue	2-1-2028	4,220,000
7-10-18	4,350,000	Utility Revenue	2-1-2029	4,350,000
9-12-19	5,800,000	Utility Revenue (the Utility Portion of the Series 2019A Bonds)	2-1-2030	5,800,000
Total				$18,360,000

Revenue Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 9-26-19
1-20-15	$19,662,798	Taxable GO PFA Water Loan	8-20-2034	$15,773,445

Liquor Enterprise Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 9-26-19
9-26-19	$2,620,000	Lease Revenue (Liquor Store Project) (the Series 2019B Bonds)	2-1-2035	$2,620,000*

* *These bonds are being issued through means of an operating lease-purchase agreement between the City and the Economic Development Authority of Brooklyn Center, Minnesota (the "EDA"). This issue is repaid with annual appropriation lease payments to be made by the City.*

Estimated Calendar Year Debt Service Payments Including the Series 2019A Bonds

	G.O. Special Assessment Debt		G.O. Tax Increment Debt	
Year	Principal	Principal & Interest[(a)]	Principal	Principal & Interest
2019 (at 9-26)	(Paid)	(Paid)	(Paid)	(Paid)
2020	$ 1,920,000	$2,386,589	$ 2,350,000	$ 2,585,345
2021	2,250,000	2,664,249	2,430,000	2,596,520
2022	2,285,000	2,635,990	2,490,000	2,582,680
2023	2,100,000	2,390,728	305,000	355,333
2024	2,130,000	2,362,775	330,000	373,525
2025	1,940,000	2,115,458	335,000	371,875
2026	1,960,000	2,079,493	340,000	369,700
2027	1,430,000	1,504,893	350,000	371,938
2028	1,240,000	1,283,780	355,000	368,563
2029	840,000	858,690	365,000	369,563
2030	420,000	424,200		
Total	$18,515,000[(b)]	$20,706,845	$9,650,000	$10,345,042

(a) *Includes the Improvement Portion of the Series 2019A Bonds at an assumed average annual interest rate of 1.76%.*

(b) *97.7% of this debt will be retired within ten years.*

Estimated Calendar Year Debt Service Payments Including the Series 2019A Bonds (Continued)

	G.O. Utility Revenue Debt		Revenue Debt	
Year	Principal	Principal & Interest[a]	Principal	Principal & Interest
2019 (at 9-26)	(Paid)	(Paid)	(Paid)	1,140,860
2020	$ 1,275,000	$ 1,730,252	$ 982,000	1,140,130
2021	1,755,000	2,177,493	992,000	1,140,310
2022	1,855,000	2,228,191	1,002,000	1,140,390
2023	1,890,000	2,211,904	1,012,000	1,140,370
2024	1,940,000	2,208,773	1,022,000	1,140,250
2025	1,995,000	2,208,184	1,033,000	1,141,030
2026	1,995,000	2,151,281	1,043,000	1,140,700
2027	2,055,000	2,160,011	1,053,000	1,140,270
2028	1,700,000	1,762,359	1,064,000	1,140,740
2029	1,200,000	1,228,260	1,075,000	1,141,100
2030	700,000	707,000	1,085,000	1,140,350
2031			1,096,000	1,140,500
2032			1,107,000	1,140,540
2033			1,118,000	1,140,470
2034			1,089,445	1,100,735
Total	$18,360,000[b]	$20,773,708	$15,773,445[c]	$17,067,885

	Liquor Enterprise Debt	
Year	Principal	Principal & Interest[d]
2019 (at 9-26)	-0-	-0-
2020	-0-	$ 69,648
2021	$ 115,000	191,875
2022	145,000	217,975
2023	150,000	218,550
2024	155,000	218,975
2025	160,000	219,250
2026	165,000	219,375
2027	170,000	219,350
2028	175,000	219,175
2029	180,000	218,850
2030	185,000	218,375
2031	190,000	217,750
2032	200,000	221,900
2033	205,000	220,825
2034	210,000	219,600
2035	215,000	218,225
Total	$2,620,000[e]	$3,329,698

(a) *Includes the Utility Portion of the Series 2019A Bonds at an assumed average annual interest rate of 1.77%.*

(b) *96.2% of this debt will be retired within ten years.*

(c) *65.2% of this debt will be retired within ten years.*

(d) *Includes the Series 2019B Bonds at an assumed average annual interest rate of 3.00%.*

(e) *54.0% of this debt will be retired within ten years.*

Other Debt Obligations

Operating Leases

The City has leased a portion of the police second floor expansion area to the Local Government Information Systems Association (LOGIS) as a backup computer facility. The lease has a term of ten years, commencing on January 12, 2016 and calls for monthly lease payments based on square-footage. Lease revenue for the year ended December 31, 2018 was $12,000. Future minimum lease revenues under the current agreement is as follows:

Year Ending December 31	
2019	$12,000
2020	12,000
2021	12,000
2022	12,000
2023	12,000
2024-2025	24,000
Total	$84,000

The City has entered into two operating leases for its municipal liquor stores. Rent expenses for the fiscal year ended December 31, 2018 were $327,672. The following is a schedule by years of future minimum rental payments required under these operating leases as of December 31, 2018:

Year Ending December 31	
2019	$234,888
2020	164,124
2021	93,360
2022	93,360
2023	93,360
Total	$679,092

The City has entered into two operating leases for golf carts used at Centerbrook Golf Course. The leases were originally signed in 2016 with four year terms. Total rental expenses under the lease agreements for the year ended December 31, 2018 was $12,174. Future minimum base rent payments under the current agreement are as follows:

Year Ending December 31	
2019	$8,742

Overlapping Debt

Taxing Unit[(a)]	2018/19 Adjusted Taxable Net Tax Capacity	Est. G.O. Debt As of 9-26-19[(b)]	Debt Applicable to Tax Capacity in City	
			Percent	Amount
Hennepin County	$1,979,015,644	$1,047,495,000	1.3%	$13,617,435
Hennepin County Regional Railroad	1,979,015,644	109,865,000	1.3	1,428,245
Three Rivers Park District	1,392,585,502	51,690,000	1.9	982,110
I.S.D. No. 11 (Anoka-Hennepin)	54,705,676	176,075,000	6.7	11,797,025
I.S.D. No. 279 (Osseo)	193,705,139	164,220,000	4.5	7,389,900
I.S.D. No. 281 (Robbinsdale)	114,722,950	184,250,459	5.1	9,396,773
I.S.D. No. 286 (Brooklyn Center)	8,375,567	49,605,000	100.0	49,605,000
Metropolitan Council	4,281,620,797	5,735,000[(c)]	0.6	34,410
Metropolitan Transit	3,433,535,041	262,085,000	0.8	2,096,680
Total				$96,347,578

(a) *Only those units with outstanding general obligation debt are shown here.*

(b) *Excludes general obligation tax and aid anticipation certificates and revenue-supported debt.*

(c) *Excludes general obligation debt supported by wastewater revenues and housing rental payments. Includes certificates of participation.*

Debt Ratios*

	G.O. Direct Debt	G.O. Direct & Overlapping Debt
To 2018/19 Preliminary Estimated Market Value ($2,234,245,900)	1.26%	5.57%
Per Capita - (32,299 – 2018 Metropolitan Council Estimate)	$872	$3,855

* *Excludes general obligation utility revenue debt, revenue debt, liquor enterprise debt, and other debt obligations.*

CITY TAX RATES, LEVIES AND COLLECTIONS

Tax Capacity Rates for a Resident in Independent School District No. 286 (Brooklyn Center)

	2014/15	2015/16	2016/17	2017/18	2018/19
Hennepin County	46.398%	45.356%	44.087%	42.808%	41.861%
City of Brooklyn Center	71.256	73.292	71.904	68.432	71.860
I.S.D. No. 286 (Brooklyn Center)[(a)]	52.984	54.573	40.438	46.098	50.075
Special Districts[(b)]	9.314	9.091	8.822	8.516	8.015
Total	179.952%	182.312%	165.251%	165.854%	171.811%

(a) *In addition, Independent School District No. 286 (Brooklyn Center) has a 2018/19 market value tax rate of 0.16424% spread across the market value of property in support of an excess operating levy.*

(b) *Special districts include Metropolitan Council, Metropolitan Transit, Metropolitan Mosquito Control, Hennepin Park Museum, Hennepin County Regional Rail Authority, Three Rivers Park District, and the Hennepin County Housing and Redevelopment Authority.*

NOTE: This table includes only net tax capacity-based rates. Certain other tax rates are based on market value. See Appendix III.

Tax Levies and Collections

		Collected During Collection Year		Collected and/or Abated as of 12-31-18	
Levy/Collect	Net Levy*	Amount	Percent	Amount	Percent
2018/19	$18,807,475	(In Process of Collection)			
2017/18	17,415,844	$17,320,084	99.5%	$17,320,084	99.5%
2016/17	16,455,160	16,342,413	99.3	16,408,486	99.7
2015/16	15,577,940	15,464,594	99.3	15,533,907	99.7
2014/15	14,988,762	14,770,223	98.5	14,988,762	100.0

* *The net levy excludes state aid for property tax relief and fiscal disparities, if applicable. The net levy is the basis for computing tax capacity rates. See Appendix III.*

FUNDS ON HAND
As of May 31, 2019

General Fund	$ 4,728,575
Special Revenue Funds	4,570,050
Debt Service Funds	1,278,558
Capital Project Funds	12,778,140
Enterprise Fund	17,346,090
Internal Service	6,323,505
Total Cash and Investments	$47,024,918

INVESTMENTS

The City's investment policy, last revised in April 2016, has the objectives of preserving safety of principal, retaining sufficient liquidity, providing a market rate of return, and yielding stable earnings on invested City funds.

Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Safety of principal is the foremost objective.

Liquidity and yield are also important considerations. It is essential that the investment portfolio remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

The investment portfolio of the City shall be designed to attain a market-average rate of return during budgetary and economic cycles, taking into account the City's investment risk constraints and liquidity needs. Return on investment is of least importance compared to the objectives for safety and liquidity. Securities shall be held to maturity with the exceptions of meeting the liquidity needs of the portfolio and minimizing loss of principal for a security of declining credit.

Minnesota Statutes, Chapter 118A, authorizes and defines an investment program for municipal governments. The City may invest in the following instruments allowed by Minnesota Statutes:

a. United States Securities: including bonds, notes, bills or other securities which are direct obligations of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, which carry the full faith and credit of the United States.

b. Commercial paper issued by U.S. corporations or their Canadian subsidiaries that is rated in the highest quality by at least two nationally recognized rating agencies and matures in 90 days or less.

c. Certificates of Deposit (Time Deposits) that are fully insured by the Federal Deposit Insurance Corporation.

d. Repurchase agreements and reverse repurchase agreements may be entered into with financial institutions identified by Minnesota Statutes, Chapter 118A. Reverse repurchase agreements may only be entered into for a period of 90 days or less and only to meet short-term cash flow needs.

e. Securities lending agreements may be entered into with financial institutions identified by Minnesota Statutes, Chapter 118A.

f. Minnesota joint powers investment trusts may be entered into with trusts identified by Minnesota Statutes, Chapter 118A

g. Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of short-term securities permitted by Minnesota Statutes, Chapter 118A.

h. Bonds of the City of Brooklyn Center issued in prior years may be redeemed at current market price, which may include a premium, prior to maturity using surplus funds of the debt service fund set up for that issue. Such repurchased bonds shall be canceled and removed from the obligation of the fund.

i. General obligation bonds of state or local governments rated A or better by a national bond rating services.

j. Revenue obligations of state or local governments rated AA or better by a national bond rating agency.

k. The Minnesota Municipal Money Market Fund (4M) that was established by the League of Minnesota Cities to address the investment needs of the Minnesota cities.

Authority to manage the investment program is vested in the City Manager and City Treasurer/Director of Fiscal and Support Services, with the City Treasurer responsible for establishing and maintaining an internal control structure to provide reasonable assurance that the objectives of the investment policy are met.

As of May 31, 2019, the City had $43,173,090 invested, with a market value of $43,089,725 (99.8%). The market value of the City's investments includes the following: $15,093,370 (35.0%) in government agency securities; $24,998,844 (58.3%) in certificates of deposit; $193,681 (0.5%) in money market accounts and $2,803,831 (6.5%) in municipal bonds. All of the investments in the City's portfolio mature within 72 months or less. The longest investment held by the City is currently scheduled to mature in May 2025.

GENERAL INFORMATION CONCERNING THE CITY

The City is a northern suburb of the Minneapolis/Saint Paul metropolitan area, adjacent to the City of Minneapolis. The City is wholly within Hennepin County and encompasses an area of approximately 8.5 square miles (5,440 acres). The Mississippi River forms the City's eastern boundary.

Population

The City's population trend is shown below.

	Population	Percent Change
2018 Metropolitan Council Estimate	32,299	7.3%
2010 U.S. Census	30,104	3.2
2000 U.S. Census	29,172	1.0
1990 U.S. Census	28,887	(7.5)
1980 U.S. Census	31,230	--

Sources: Metropolitan Council, https://metrocouncil.org and United States Census Bureau, http://www.census.gov/.

The City's population by age group for the past five years is as follows:

Data Year/ Report Year	0-17	18-34	35-64	65 and Over
2018/19	9,050	7,607	11,312	3,938
2017/18	8,970	7,568	11,254	3,896
2016/17	8,956	7,650	11,255	3,879
2015/16	8,906	7,664	11,211	3,847
2014/15	8,786	7,734	11,171	3,811

Sources: Environics Analytics, Claritas, Inc. and The Nielsen Company.

Transportation

Major transportation routes in and through the City, including Interstate Highways 94 and 694 and State Highways 100 and 252, have provided a continued impetus for the development of the City's commercial tax base.

Major Employers

Employer	Product/Service	Approximate Number of Employees
Hennepin County	Government	9,300[(a)]
Promeon, Inc. (a division of Medtronic)	Medical devices	1,100[(b)]
City of Brooklyn Center	Government	437[(d)]
Independent School District No. 286 (Brooklyn Center)	Education	436
Walmart	Retail	278[(d)(f)]
Caribou Coffee (Headquarters)	Coffee retailer	225[(f)]
University of Minnesota Physicians	Healthcare	212[(f)]
Maranatha Care Center, Presbyterian Homes	Continuing care/retirement community	200[(d)(f)]
Luther Auto Group (three locations)	Automobile dealership	196[(c)(d)(f)]
TCR Corporation	Metal components	150[(e)]
Cass Screw Machine Products	Screw machine parts	124[(f)]
Cub Foods	Grocery	125[(f)]
Health Partners-Brooklyn Center	Medical and dental clinic	97[(f)]

(a) Not all employees are located within the City.

(b) As of August 2016, Promeon no longer releases this information.

(c) In past surveys, Luther Brookdale Chevrolet and Luther Brookdale Buick GMC were each counted, however these businesses share a location and this number includes all employess at this shared location.

(d) Includes full-time and part-time employees.

(e) As of April 2017, most recent information available.

(f) As of May 2018, most recent information available.

Source: This does not purport to be a comprehensive list and is based on a July 2019 best efforts telephone survey of individual employers. Some employers do not respond to inquiries.

Labor Force Data

	Annual Average				May
	2015	2016	2017	2018	2019
Labor Force:					
City of Brooklyn Center	15,153	15,280	15,349	15,428	15,461
Hennepin County	676,722	687,472	698,548	703,310	705,681
Minneapolis-Saint Paul MSA	1,916,011	1,938,642	1,979,780	2,016,208	2,005,534
State of Minnesota	2,997,748	3,033,406	3,057,014	3,070,223	3,097,429
Unemployment Rate:					
City of Brooklyn Center	4.5%	4.3%	3.9%	3.3%	3.3%
Hennepin County	3.3	3.3	3.0	2.5	2.7
Minneapolis-Saint Paul MSA	3.5	3.6	3.3	2.7	2.7
State of Minnesota	2.9	3.4	3.9	3.7	2.9

Source: Minnesota Department of Employment and Economic Development, https://apps.deed.state.mn.us/lmi/laus. 2019 data are preliminary.

Retail Sales and Effective Buying Income (EBI)

City of Brooklyn Center

Data Year/ Report Year	Total Retail Sales ($000)	Total EBI ($000)	Median Household EBI
2018/19	$650,264	$630,186	$46,331
2017/18	571,339	582,953	43,718
2016/17	623,655	545,667	40,885
2015/16	561,219	550,267	41,469
2014/15	505,332	531,155	40,188

Hennepin County

Data Year/ Report Year	Total Retail Sales ($000)	Total EBI ($000)	Median Household EBI
2018/19	$35,994,743	$46,545,289	$63,176
2017/18	32,491,357	43,417,597	60,957
2016/17	33,502,543	40,956,757	57,190
2015/16	26,004,909	38,495,032	55,756
2014/15	21,713,206	36,578,500	52,644

The 2018/19 Median Household EBI for the State of Minnesota was $58,776. The 2018/19 Median Household EBI for the United States was $52,468.

Sources: Environics Analytics, Claritas, Inc. and The Nielsen Company.

Permits Issued by the City

Year	Total Permits		Commercial Permits		Residential Permits	
	Number	Value	Number	Value	Number	Value
2019 (to 5-31)	1,200	$27,895,603	163	$ 19,780,258	1,037	$ 8,115,345
2018	3,181	77,347,546	481	63,424,938	2,700	13,922,608
2017	5,758	59,017,940	3,042	41,405,474	2,716	17,612,466
2016	4,745	71,232,941	2,547	48,819,051	2,198	22,413,890
2015	4,834	51,457,015	2,655	34,769,633	2,179	16,687,382
2014	5,251	125,369,473	2,844	109,829,770	2,407	15,539,703
2013	7,309	67,228,061	3,874	42,049,442	3,435	25,178,619
2012	5,188	31,227,915	2,811	21,729,528	2,377	9,498,387
2011	4,852	29,571,594	2,556	21,424,919	2,296	8,146,675
2010	5,198	76,149,738	2,739	66,911,018	2,459	9,238,720

Includes all permits except for temporary land use and vacant building registrations. Classification is based on zoning type.

Source: City of Brooklyn Center.

Growth and Development

Successful redevelopment continues to be the key to commercial and industrial tax base growth within the City, including the following:

The southern portion of the 80 acre Opportunity Site, comprises 46 acres planned for a mixed use commercial, office and residential redevelopment.

- Since 2008 the EDA has acquired approximately 35 acres of land within the Opportunity Site. This includes the former Brookdale Square shopping center site and former Brookdale Ford dealership property.
- In 2016, the City Council approved the creation of a 25-year tax increment redevelopment district and completed the soil corrections and final demolition of the former Brookdale Ford building, floor lifts, and underground LP tank.
- The EDA entered into a Preliminary Development Agreement (PDA) with Alatus, LLC, a Minneapolis-based developer, in April 2018. The PDA identified Alatus as the master developer to plan the site and initiate a Phase I development within the EDA-owned portion of the site. Over the course of the past year, Alatus has started the master planning work, completed environmental and geotechnical analysis, initiated a public engagement process, identified a movie theater and hotel tenant, and engaged a number of other potential users of the site.
- In May 2018, the census tract (27053020200) that the Opportunity Site is located within was selected by the Treasury Department as a federally designated Opportunity Zone, which opens up investment opportunities for the site.
- Alatus is in predevelopment on a Phase I of the development, which they intend to move ahead with in 2019. Phase I would include 350 units of market-rate multi-family housing, and may include a commercial component either within the building or on an adjacent site.
- The City has engaged a consultant to update the 2006 Opportunity Site Master Plan, which encompasses the entire 80-acre area. As part of that scope, the City will be taking the lead on the master planning of the EDA-owned portion of the site as well, in cooperation with Alatus. The timing is being structured to allow Alatus to move forward with a Phase I in conjunction with the creation of a master plan. The master planning will include identifying a land use and transportation framework for the site, with a more refined focus on the southern portion of the site, as well as identification of public infrastructure needs such as parks and open space, storm water, streets, and utilities.

Additional development activities in 2018/19 include:

- TOPGOLF USA purchased the existing 85,240 square foot Regal Theater to allow for the construction of a 65,000 square-foot commercial recreational/entertainment development. The three-level facility opened in September 2018 and includes 103 hitting bays, restaurant and lounge, a 3,000 square-foot roof terrace, a 3,000 square-foot event area and a 220-yard driving range with 11 outfield targets.
- In January 2019, HOM Furniture opened in the renovated former Kohl's building. The project includes a 24,822 addition, which is not yet complete but anticipated to open in the summer of 2019. The project also features the future development of a three-story 32,800 square-foot medical center/office building.
- In fall 2018, a new 4,000 square-foot Bank of America opened in the City.
- On April 23, 2018 Medtronic received approval for a substantial renovation and 13,427 square-foot expansion of their dry room facilities, which will allow for production of their lithium ion batteries for pacemakers. This expansion is currently underway and is anticipated to be completed in the summer of 2019.
- On November 13, 2017, Luther Automotive received approval for a new 35,424 square-foot Mazda Mitsubishi dealership. The project is currently under construction and is anticipated to open in the summer of 2019.
- An 82-room Fairfield Inn and Suites on an EDA-owned site located at 6250 Earle Brown Drive is currently under construction, and is anticipated to open during fall of 2019.
- In July 2018, the City Council approved the conversion of a vacant former senior assisted-living facility into market-rate apartments. The project, called LUX Apartments, includes 143 fully-renovated units, community space, as well as the installation of additional parking. The project began renting over the winter during construction, and is now complete and fully-leased.
- In July 2019, Casey's Gas Station and Convenience Stores received approval for a new 4,600 square-foot store at 2101 Freeway Boulevard. The project has begun construction in spring of 2019.
- The City has entered into a Preliminary Development Agreement with Centra Homes for 30 single-family homes on an 8-acre EDA-owned site at Highway 252 and 69th Avenue North. Centra anticipates applying for a preliminary and final plat in May and commencing construction in the summer of 2019.
- The City has received an application for land use approval from Real Estate Equities for a 267-unit multi-family housing project at 5801 Xerxes Avenue North. The project would include a mix of affordable independent senior units and workforce units. The application was approved by the City Council in June 2019.
- The City has entered into a Preliminary Development Agreement with Coalition Development for an 80-unit multi-family apartment on the EDA-owned properties at Brooklyn Boulevard and 61st Avenue North. The developer anticipates coming forward with a request for approval in summer 2019.

Financial Institutions*

City residents are served by branch facilities of Wells Fargo Bank, National Association; Bremer Bank, National Association; Bank of America; and TCF National Bank, as well as numerous credit unions.

* *This does not purport to be a comprehensive list.*

Source: Federal Deposit Insurance Corporation, https://research.fdic.gov/bankfind/.

Health Care Services

The following is a summary of inpatient health care facilities located in and around the City:

Facility	Location	No. of Beds
Maranatha Care Center	City of Brooklyn Center	97 Nursing Home
Living Well Lyndale	City of Brooklyn Center	8 Supervised Living
MTAI Brooklyn Center	City of Brooklyn Center	6 Supervised Living
North Memorial Medical Center	City of Robbinsdale	518 Hospital
		42 Infant Bassinets

In addition, senior living options including assisted living and memory support are also provided through The Sanctuary at Brooklyn Center.

Source: Minnesota Department of Health, http://www.health.state.mn.us/.

Education

Public Education

The following districts serve the residents of the City:

School	Location	Grades	2018/19 Enrollment
ISD No. 11 (Anoka-Hennepin)	City of Anoka	PK-12	38,802
ISD No. 279 (Osseo)	City of Osseo	PK-12	21,472
ISD No. 281 (Robbinsdale)	City of Robbinsdale	PK-12	12,546
ISD No. 286 (Brooklyn Center)	City of Brooklyn Center	PK-12	2,492

Source: Minnesota Department of Education, www.education.state.mn.us.

The City's taxable net tax capacity is attributable to each of the four school districts as follows:

	Portion of 2018/19 Taxable Net Tax Capacity Located in the City	% of Total
ISD No. 279 (Osseo)	$ 8,680,671	32.7%
ISD No. 286 (Brooklyn Center)*	8,375,567	31.6
ISD No. 281 (Robbinsdale)	5,824,469	21.9
ISD No. 11 (Anoka-Hennepin)	3,657,514	13.8
Total	$26,538,221	100.0%

* *Located entirely within the City.*

Non-Public Education

City residents are also served by the following private schools:

School	Location	Grades	2018/19 Enrollment
King of Grace Lutheran School	City of Golden Valley	K-8	169
Sacred Heart Catholic School	City of Robbinsdale	K-8	157
St. Raphael Catholic School	City of Crystal	K-8	128
St. Alphonsus	City of Brooklyn Center	K-8	154
RiverTree School	City of Crystal	K-12	139
Holy Trinity Lutheran School	City of New Hope	K-8	60

Source: Minnesota Department of Education, www.education.state.mn.us.

Post-Secondary Education

City residents have access to various colleges and universities located throughout the Minneapolis/St. Paul metropolitan area.

GOVERNMENTAL ORGANIZATION AND SERVICES

Organization

The City has been a municipal corporation since 1911 and is governed under a Home Rule Charter adopted in 1966 and subsequently amended. The City has a Council-Manager form of government and the Mayor and four Council Members are elected to serve overlapping four-year terms. The following individuals comprise the current City Council:

		Expiration of Term
Mike Elliott	Mayor	December 31, 2022
Marquita Butler	Council Member	December 31, 2020
April Graves	Council Member	December 31, 2022
Kris Lawrence-Anderson	Council Member	December 31, 2020
Dan Ryan	Council Member	December 31, 2022

The City Manager, Mr. Cornelius L. Boganey, is responsible for the administration of Council policy and the daily management of the City. The Manager is appointed by the Council and serves at its discretion. Mr. Boganey has served the City in this position since June 2006. Prior to that, Mr. Boganey served as the City's Assistant Manager since March 2003. He has also served as City Manager in the cities of Brooklyn Park, Minnesota and Port Arthur, Texas, and as Assistant City Manager in the City of Kalamazoo, Michigan.

The Director of Fiscal and Support Services, Mr. Nathan Reinhardt, is responsible for directing the City's financial operations, including preparation of the comprehensive annual financial report and interim reports, and the investment of City funds. Mr. Reinhardt has served as the City's Finance Director since November 2013. Previously, Mr. Reinhardt served as Finance Director for the City of Waseca, Minnesota.

The City has 166 regular full-time and 271 seasonal full- and part-time employees.

Services

Forty-nine full-time sworn police officers and a support staff of 12 provide protective services in the City. Fire protection is provided by one full-time Chief, one full-time Deputy Chief, one full-time fire inspector/educator, and a 32-member volunteer force. The City has two fire stations and a class 4 insurance rating.

All areas of the City are serviced by municipal water and sewer systems, with exception to one property located at 5306 Perry Avenue North. Water is supplied by nine wells and storage is provided by three elevated tanks with a combined total capacity of 3.0 million gallons. The municipal water system has a pumping capacity of 16.4 million gallons per day (mgd). In 2016, the City brought a new water treatment plant online, capable of filtering 10 mgd. When combined with the capacity of 1.7 mdg from Well #2, the City now has a total finished water capacity of 11.7 mgd. The average daily water demand is estimated to be 2.9 mgd and peak demand is estimated to be 9.7 mgd. Water connections totaled 8,965 as of May 31, 2019.

Although the City owns and maintains its own sanitary and storm sewer collection systems, wastewater treatment facilities are owned and operated by the Metropolitan Council Environmental Services (MCES). The City is billed an annual service charge by MCES, which is adjusted each year based on the prior years' actual usage. The City had 8,798 sewer connections as of May 31, 2019.

Labor Contracts

The status of labor contracts in the City are as follows:

Bargaining Unit	No. of Employees	Expiration Date of Current Contract
IUOE Local 49	26	December 31, 2021
LELS Local 82	35	December 31, 2019
LELS Local 86	10	December 31, 2021
Subtotal	71	
Non-unionized employees	316	
Total employees	387	

Employee Pensions

All full-time employees and certain part-time employees of the City are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF), which are cost-sharing multiple-employer retirement plans. GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated members are covered by Social Security and Basic members are not. All new members must participate in the Coordinated Plan. All police officers, fire fighters and peace officers who qualify for membership by statute are covered by PEPFF. The City's contributions to GERF and PEPFF are equal to the contractually required contributions for each year as set by State Statute, and are as follows for the past five years:

	GERF	PEPFF
2018	$612,983	$761,952
2017	572,442	720,865
2016	550,846	689,601
2015	564,168	687,935
2014	531,385	600,402

For more information regarding the liability of the City with respect to its employees, please reference "Note 4. Defined Benefit Pension Plan – City Employees" of the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018, an excerpt of which is included as Appendix IV of this Official Statement.

Multiple-Employer Defined Benefit Pension

City employees belonging to the International Union of Operating Engineers (IUOE) are participants in a multiple-employer defined benefit pension plan, the Central Pension Fund of the International Union of Operating Engineers and Participating Employers (CPF), administered by the Board of Trustees of the Central Pension Fund. The plan is a cost-sharing pension plan that is not a state or local governmental pension plan, is used to provide defined benefit pensions to employers that are not state or local governmental employers, and has no predominate state or local government employer. The plan issues a publicly available financial report located on their website at www.cpfiuoe.org.

The City has 22 employees who are covered by this pension plan. The plan provides benefits such as monthly retirement income, special and early retirement benefits, post-retirement surviving spouse benefits, pre-retirement surviving spouse benefits, and disability benefits.

The City's contributions to the plan are pursuant to a collective bargaining agreement with the IUOE which expires December 31, 2018. The required contribution rate is $0.96 per hour, which is applied to all compensated hours, and capped at $5,000 per year. With regards to withdrawal from the pension plan, the parties agree that the amount that would otherwise be paid in salary or wages will be contributed instead to the CPF as pre-tax employer contributions.

The City's contributions to IOUE for the past five years are as follows:

	IUOE
2018	$51,152
2017	50,782
2016	51,410
2015	51,699
2014	51,868

For more information regarding the liability of the City with respect to its employees, please reference "Note 6. Multiple-Employer Defined Benefit Pension Plan" of the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018, an excerpt of which is included as Appendix IV of this Official Statement.

PEDCP

Five Council members of the City are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by PERA. The PEDCP is a tax-qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until the time of withdrawal. Plan benefits depend solely on the amounts contributed to the plan plus investment earnings less administrative expenses. An eligible elected official who chooses to participate in the plan contributes 5% of their salary, which is matched by the elected official's employer. PERA receives 2% of employer contributions and 0.025% of the assets in each member's account annually for administering the plan.

The City's contributions to PEDCP for the past five years are as follows:

	PEDCP
2018	$944
2017	925
2016	907
2015	907

For more information regarding the liability of the City with respect to its employees, please reference "Note 7. Defined Contribution Plan" of the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018, an excerpt of which is included as Appendix IV of this Official Statement.

City Firefighter's Association

The City contributes to the Brooklyn Center Fire Department Relief Association (the "Association"), which is the administrator of a single employer, public employee defined benefit retirement system to provide a retirement plan (the "Plan") to volunteer firefighters of the City who are members of the Association. The Association is organized and operates under the provisions of the Minnesota State Statutes 424A, and provides benefits in accordance with those statutes.

The Association provides retirement benefits to members and survivors upon death of eligible members. Benefits are established by the Association and approved by the City Council under the applicable statutes. The defined retirement benefits are based on a member's years of service. Vesting begins after the tenth year of service with a 60% benefit increasing to 100% after the 20th year of service.

Full benefits are available to members after 20 years of service and having attained the age of 50. The current benefit available is a lump sum distribution of $7,600 per year of service. Vested, terminated members who are entitled to benefits but are not yet receiving them are bound by the provisions in effect at the time of termination of membership.

The City levies property taxes at the direction of and for the benefit of this plan and passes through state aids allocated to the plan, all in accordance with State statutes. The minimum tax levy obligation is the financial contribution requirement for the year less anticipated state aids.

The City's contributions to the Firefighter's Association for the past five years are as follows:

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
December 31, 2018	$ 85,089	181%	-0-
December 31, 2017	71,203	206	-0-
December 31, 2016	101,453	141	-0-
December 31, 2015	101,453	156	-0-
December 31, 2014	108,883	129	-0-

Funded status of the Association as reported to-date:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Assets in Excess of Unfunded Accrued Liability	Funded Ratio
January 1, 2017	$3,673,474	$3,036,210	$637,264	121.0%
January 1, 2015	3,508,210	3,084,717	423,493	113.7
January 1, 2013	3,282,317	3,279,231	3,086	100.1

For more information regarding the liability of the City with respect to its employees, please reference "Note 5. Defined Benefit Pension Plan – Single Employer – Fire Relief Association" of the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018, an excerpt of which is included as Appendix IV of this Official Statement.

Sources: City's Comprehensive Annual Financial Reports.

GASB 68

The Government Accounting Standards Board (GASB) has issued Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68) and related GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment to GASB 68, which revised existing standards for measuring and reporting pension liabilities for pension plans provided to City employees and require recognition of a liability equal to the City's proportionate share of net pension liability, which is measured as the total pension liability less the amount of the pension plan's fiduciary net position.

The City's proportionate shares of the pension costs and the City's net pension liability for GERF and PEPFF for the past four years are as follows:

	Proportionate Share of Pension Costs	Net Pension Liability	Proportionate Share of Pension Costs	Net Pension Liability
2018	0.1194%	$6,623,822	0.4330%	$ 4,615,334
2017	0.1201	7,667,105	0.4410	5,954,026
2016	0.1172	9,516,059	0.4290	17,216,516
2015	0.1243	6,441,872	0.4460	5,067,604

For more information regarding GASB 68 with respect to the City, please reference "Note 4. Defined Benefit Pension Plan" of the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018, an excerpt of which is included as Appendix IV of this Official Statement.

Additional and detailed information about GERF's net position is available in a separately-issued PERA financial report, which may be obtained at www.mnpera.org; by writing to PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088; or by calling 1-800-652-9026.

Sources: City's Comprehensive Annual Financial Reports.

Other Postemployment Benefits

The Government Accounting Standards Board (GASB) has issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASB 75), establishing new accounting and financial reporting requirements related to post-employment healthcare and other non-pension benefits (referred to as Other Postemployment Benefits or "OPEB"). The implementation of GASB 75 required the restatement of the City's beginning net position for the fiscal year ended December 31, 2018. Please see "Note 8. Other Post-Employment Benefits (OPEB) Plan" in the City's Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018 for this calculation.

The City provides continued health insurance coverage for retired City employees who, on the date of their retirement, meet PERA or PEPFF eligibility requirements for a full retirement annuity, without reduction of benefits because of age, disability, or any other reason. This coverage does not extend to the retiree's family, except that if the retiree desires to continue additional coverage, the cost in excess of the single premium must be paid by the retiree. This benefit began in 1986 and was subsequently discontinued for employees hired after January 31, 1992.

The City currently finances the plan on a pay-as-you-go basis. During 2018, the City expended $130,222 for these benefits. The following employees were covered by the benefit terms as of the latest actuarial valuation:

Retirees and beneficiaries currently receiving benefit payments	12
Active employees	150
Total	162

The City's net OPEB liability was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2018. Components of the City's OPEB liability and related ratios for the fiscal year ended December 31, 2018 are as follows:

Service cost	$ 130,096
Interest	71,659
Differences between expected and actual experience	73,751
Changes of assumptions	51,929
Benefit payments	(156,791)
Net change in total OPEB liability	$ 170,644
Total OPEB liability – beginning of year	1,844,035
Total OPEB liability – end of year	$2,014,679

Funded status of the City's OPEB as reported in the actuarial reports received to-date:

Actuarial Valuation Date	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2018	$2,014,679	$2,014,679	$10,800,000	18.65%
January 1, 2016	1,901,745	1,901,745	10,471,960	18.16
January 1, 2014	2,574,529	2,574,529	9,934,960	25.91
January 1, 2012	2,620,367	2,620,367	9,472,237	27.66

For more information regarding GASB 75 with respect to the City, please reference "Note 8. Other Post-Employment Benefits" of the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018, an excerpt of which is included as Appendix IV of this Official Statement.

Sources: City's Comprehensive Annual Financial Reports.

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General Fund Budget Summary

	2018 Budget	2018 Actual	2019 Budget
January 1 Fund Balance	$11,355,203	$11,355,203	$11,563,825
Revenues:			
Taxes	$17,339,417	$17,361,854	$18,380,591
Licenses and Permits	776,625	1,209,029	861,315
Intergovernmental	1,594,819	1,658,391	1,634,150
Charges for Services	922,500	861,965	834,650
Fines & Forfeits	231,500	273,507	231,500
Special Assessments	100,000	51,075	85,000
Investment Earnings	-	88,534	93,663
Transfers In	150,000	150,000	150,000
Miscellaneous	231,175	179,178	145,700
Total Revenues	$21,346,036	$21,833,533	$22,416,569
Expenditures:			
General Government	$ 4,154,642	$ 3,605,573	$ 4,262,386
Public Safety	11,488,936	11,201,317	11,712,277
Public Works	3,914,319	2,234,407	4,059,089
CARS	1,729,949	2,761,005	1,813,072
Non-Departmental	(141,810)	1,379,179	359,745
Transfers Out	200,000	443,430	210,000
Total Expenditures	$21,346,036	$21,624,911	$22,416,569
December 31 Fund Balance	$11,355,203	$11,563,825	$11,563,825

Sources: City's Comprehensive Annual Financial Reports and 2019 Budget.

Major General Fund Revenue Sources

Revenue	2014	2015	2016	2017	2018
Taxes	$14,991,781	$15,532,039	$16,128,373	$16,766,847	$17,361,854
Intergovernmental	1,401,447	1,410,695	1,466,341	1,496,165	1,658,391
Licenses and Permits	1,021,410	859,534	932,051	904,785	1,209,029
Charges for Services	810,597	749,569	765,831	809,031	861,965
Fines & Forfeits	312,130	268,116	211,712	243,915	273,507

Sources: City's Comprehensive Annual Financial Reports.

PROPOSED FORM OF LEGAL OPINION

$9,850,000
General Obligation Improvement and Utility Revenue Bonds
Series 2019A
City of Brooklyn Center
Hennepin County, Minnesota

We have acted as bond counsel to the City of Brooklyn Center, Hennepin County, Minnesota (the "Issuer") in connection with the issuance by the Issuer of its General Obligation Improvement and Utility Revenue Bonds, Series 2019A (the "Bonds"), originally dated the date hereof, and issued in the original aggregate principal amount of $9,850,000. In such capacity and for the purpose of rendering this opinion we have examined such certified copies of certain proceedings, certifications and other documents, and applicable laws as we have deemed necessary. Regarding questions of fact material to this opinion, we have relied on certified proceedings and other certifications of public officials and other documents furnished to us without undertaking to verify the same by independent investigation. Under existing laws, regulations, rulings and decisions in effect on the date hereof, and based on the foregoing we are of the opinion that:

1. The Bonds have been duly authorized and executed, and are valid and binding general obligations of the Issuer, enforceable against the Issuer in accordance with their terms.

2. The principal of and interest on the Bonds are payable primarily from special assessments levied or to be levied on property specially benefited by local improvements, ad valorem taxes for the Issuer's share of the cost of the improvements and revenues of the water, storm drainage and sanitary sewer systems of the Issuer, but if necessary for the payment thereof additional ad valorem taxes are required by law to be levied on all taxable property of the Issuer, which taxes are not subject to any limitation as to rate or amount.

3. Interest on the Bonds is excludable from gross income of the recipient for federal income tax purposes and, to the same extent, is excludable from taxable net income of individuals, trusts, and estates for Minnesota income tax purposes, and is not a preference item for purposes of the computation of the federal alternative minimum tax, or the computation of the Minnesota alternative minimum tax imposed on individuals, trusts and estates. However, such interest is subject to Minnesota franchise taxes on corporations (including financial institutions) measured by income. The opinion set forth in this paragraph is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes and from taxable net income for Minnesota income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes and taxable net income for Minnesota income tax purposes retroactively to the date of issuance of the Bonds. We express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

4. The rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditor's rights generally and by equitable principles, whether considered at law or in equity.

We have not been asked and have not undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds, and accordingly we express no opinion with respect thereto.

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* *Preliminary; subject to change.*

This opinion is given as of the date hereof and we assume no obligation to update, revise, or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Dated _____, 2019 at Minneapolis, Minnesota.

CONTINUING DISCLOSURE CERTIFICATE

$9,850,000
City of Brooklyn Center, Minnesota
General Obligation Improvement and Utility Revenue Bonds
Series 2019A

_____, 2019

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Brooklyn Center, Minnesota (the "Issuer") in connection with the issuance of its General Obligation Improvement and Utility Revenue Bonds, Series 2019A (the "Bonds") in the original aggregate principal amount of $9,850,000. The Bonds are being issued pursuant to resolutions adopted by the City Council of the Issuer (the "Resolutions"). The Bonds are being delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolutions, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. The Issuer hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders (as defined herein) of the Bonds in order to provide for the public availability of such information and assist the Participating Underwriter(s) (as defined herein) in complying with the Rule (as defined herein). This Disclosure Certificate, together with the Resolutions, constitutes the written agreement or contract for the benefit of the Holders of the Bonds that is required by the Rule.

Section 2. Definitions. In addition to the defined terms set forth in the Resolutions, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means annual financial statements of the Issuer, prepared in accordance with GAAP as prescribed by GASB.

"Bonds" means the General Obligation Improvement and Utility Revenue Bonds, Series 2019A, issued by the Issuer in the original aggregate principal amount of $9,850,000.

"Disclosure Certificate" means this Continuing Disclosure Certificate.

"EMMA" means the Electronic Municipal Market Access system operated by the MSRB and designated as a nationally recognized municipal securities information repository and the exclusive portal for complying with the continuing disclosure requirements of the Rule.

"Final Official Statement" means the deemed final Official Statement, dated _____, 2019, which constitutes the final official statement delivered in connection with the Bonds, which is available from the MSRB.

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a Financial Obligation as described in clause (a) or (b). The term "Financial

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* *Preliminary; subject to change.*

Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer.

"GAAP" means generally accepted accounting principles for governmental units as prescribed by GASB.

"GASB" means the Governmental Accounting Standards Board.

"Holder" means the person in whose name a Bond is registered or a beneficial owner of such a Bond.

"Issuer" means the City of Brooklyn Center, Minnesota, which is the obligated person with respect to the Bonds.

"Material Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board located at 1300 I Street NW, Suite 1000, Washington, DC 20005.

"Participating Underwriter" means any of the original underwriter(s) of the Bonds (including the Purchaser) required to comply with the Rule in connection with the offering of the Bonds.

"Purchaser" means _____.

"Repository" means EMMA, or any successor thereto designated by the SEC.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and including written interpretations thereof by the SEC.

"SEC" means Securities and Exchange Commission, and any successor thereto.

Section 3. Provision of Annual Financial Information and Audited Financial Statements.

(a) The Issuer shall provide to the Repository not later than 12 months after the end of the Fiscal Year commencing with the year that ends December 31, 2019, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report.

(b) If the Issuer is unable or fails to provide to the Repository an Annual Report by the date required in subsection (a), the Issuer shall send a notice of that fact to the Repository and the MSRB.

(c) The Issuer shall determine each year prior to the date for providing the Annual Report the name and address of each Repository.

Section 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the following sections of the Final Official Statement:

1. City Property Values
2. City Indebtedness
3. City Tax Rates, Levies and Collections

In addition to the items listed above, the Annual Report shall include Audited Financial Statements submitted in accordance with Section 3 of this Disclosure Certificate.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the Repository or the SEC. If the document incorporated by reference is a final official statement, it must also be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Material Events.

(a) This Section 5 shall govern the giving of notice of the occurrence of any of the following events ("Material Events") with respect to the Bonds:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB), or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

7. Modifications to rights of security holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the securities, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the obligated person;

13. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

15. Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) The Issuer shall file a notice of such occurrence with the Repository or with the MSRB within 10 business days of the occurrence of the Material Event.

(c) Unless otherwise required by law and subject to technical and economic feasibility, the Issuer shall employ such methods of information transmission as shall be requested or recommended by the designated recipients of the Issuer's information.

Section 6. EMMA. The SEC has designated EMMA as a nationally recognized municipal securities information repository and the exclusive portal for complying with the continuing disclosure requirements of the Rule. Until the EMMA system is amended or altered by the MSRB and the SEC, the Issuer shall make all filings required under this Disclosure Certificate solely with EMMA.

Section 7. Termination of Reporting Obligation. The Issuer's obligations under the Resolutions and this Disclosure Certificate shall terminate upon [the legal defeasance,] the redemption in full of all Bonds or payment in full of all Bonds.

Section 8. Agent. The Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Resolutions and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 9. Amendment; Waiver. Notwithstanding any other provision of the Resolutions or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of nationally recognized bond counsel to the effect that such amendment or waiver would not, in and of itself, cause a violation of the Rule. The provisions of the Resolutions requiring continuing disclosure pursuant to the Rule and this Disclosure Certificate, or any provision hereof, shall be null and void in the event that the Issuer delivers to the Repository an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which impose the continuing disclosure requirements of the Resolutions and the execution and delivery of this Disclosure Certificate are invalid, have been repealed retroactively or otherwise do not apply to the Bonds. The provisions of the Resolutions requiring continuing disclosure pursuant to the Rule and this Disclosure Certificate may be amended without the consent of the Holders of the Bonds, but only upon the delivery by the Issuer to the Repository of the proposed amendment and an opinion of nationally recognized bond counsel to the effect that such amendment, and giving effect thereto, will not adversely affect the compliance with the Rule.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of

occurrence of a Material Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Holder of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolutions and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Bonds and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Disclosure Certificate in our official capacities effective as of the date and year first written above.

CITY OF BROOKLYN CENTER, MINNESOTA

_____
Mayor

_____
Its Manager

SUMMARY OF TAX LEVIES, PAYMENT PROVISIONS, AND MINNESOTA REAL PROPERTY VALUATION

Following is a summary of certain statutory provisions relative to tax levy procedures, tax payment and credit procedures, and the mechanics of real property valuation. The summary does not purport to be inclusive of all such provisions or of the specific provisions discussed, and is qualified by reference to the complete text of applicable statutes, rules and regulations of the State of Minnesota.

Property Valuations (Chapter 273, Minnesota Statutes)

Assessor's Estimated Market Value. Each parcel of real property subject to taxation must, by statute, be appraised at least once every five years as of January 2 of the year of appraisal. With certain exceptions, all property is valued at its market value, which is the value the assessor determines to be the price the property to be fairly worth, and which is referred to as the "Estimated Market Value." The 2013 Minnesota Legislature established the Estimated Market Value as the value used to calculate a municipality's legal debt limit.

Economic Market Value. The Economic Market Value is the value of locally assessed real property (Assessor's Estimated Market Value) divided by the sales ratio as provided by the State of Minnesota Department of Revenue plus the estimated market value of personal property, utilities, railroad, and minerals.

Taxable Market Value. The Taxable Market Value is the value that Net Tax Capacity is based on, after all reductions, limitations, exemptions and deferrals.

Net Tax Capacity. The Net Tax Capacity is the value upon which net taxes are levied, extended and collected. The Net Tax Capacity is computed by applying the class rate percentages specific to each type of property classification against the Taxable Market Value. Class rate percentages vary depending on the type of property as shown on the last page of this Appendix. The formulas and class rates for converting Taxable Market Value to Net Tax Capacity represent a basic element of the State's property tax relief system and are subject to annual revisions by the State Legislature. Property taxes are the sum of the amounts determined by (i) multiplying the Net Tax Capacity by the tax capacity rate, and (ii) multiplying the referendum market value by the market value rate.

Market Value Homestead Exclusion. In 2011, the Market Value Homestead Exclusion Program (MVHE) was implemented to offset the elimination of the Market Value Homestead Credit Program that provided relief to certain homesteads. The MVHE reduces the taxable market value of a homestead with an Assessor's Estimated Market Value up to $413,800 in an attempt to result in a property tax similar to the effective property tax prior to the elimination of the homestead credit. The MVHE applies to property classified as Class 1a or 1b and Class 2a, and causes a decrease in the City's aggregate Taxable Market Value, even if the Assessor's Estimated Market Value on the same properties did not decline.

Property Tax Payments and Delinquencies (Chapters 275, 276, 277, 279-282 and 549, Minnesota Statutes)

Ad valorem property taxes levied by local governments in Minnesota are extended and collected by the various counties within the State. Each taxing jurisdiction is required to certify the annual tax levy to the county auditor within five (5) working days after December 20 of the year preceding the collection year. A listing of property taxes due is prepared by the county auditor and turned over to the county treasurer on or before the first business day in March.

The county treasurer is responsible for collecting all property taxes within the county. Real estate and personal property tax statements are mailed out by March 31. One-half (1/2) of the taxes on real property is due on or before May 15. The remainder is due on or before October 15. Real property taxes not paid by their due date are assessed a penalty on homestead property of 2% until May 31 and increased to 4% on June 1. The penalty on nonhomestead property is assessed at a rate of 4% until May 31 and increased to 8% on June 1. Thereafter, an additional 1% penalty shall accrue each month through October 1 of the collection year for unpaid real property taxes. In the case of the second installment of real property taxes due October 15, a penalty of 2% on homestead property and 4% on nonhomestead property is assessed. The penalty for homestead property increases to 6% on November 1 and again to 8% on December 1. The penalty for nonhomestead property increases to 8% on November 1 and again to 12% on December 1. Personal property taxes remaining unpaid on May 16 are deemed to be delinquent and a penalty of 8% attaches to the unpaid tax. However, personal property that is owned by a tax-exempt entity, but is treated as taxable by virtue of a lease agreement, is subject to the same delinquent property tax penalties as real property.

On the first business day of January of the year following collection all delinquencies are subject to an additional 2% penalty, and those delinquencies outstanding as of February 15 are filed for a tax lien judgment with the district court. By March 20 the county auditor files a publication of legal action and a mailing of notice of action to delinquent parties. Those property interests not responding to this notice have judgment entered for the amount of the delinquency and associated penalties. The amount of the judgment is subject to a variable interest determined annually by the Department of Revenue, and equal to the adjusted prime rate charged by banks but in no event is the rate less than 10% or more than 14%.

Property owners subject to a tax lien judgment generally have three years (3) to redeem the property. After expiration of the redemption period, unredeemed properties are declared tax forfeit with title held in trust by the State of Minnesota for the respective taxing districts. The county auditor, or equivalent thereof, then sells those properties not claimed for a public purpose at auction. The net proceeds of the sale are first dedicated to the satisfaction of outstanding special assessments on the parcel, with any remaining balance in most cases being divided on the following basis: county - 40%; town or city - 20%; and school district - 40%.

Property Tax Credits (Chapter 273, Minnesota Statutes)

In addition to adjusting the taxable value for various property types, primary elements of Minnesota's property tax relief system are: property tax levy reduction aids; the homestead credit refund and the renter's property tax refund, which relate property taxes to income and provide relief on a sliding income scale; and targeted tax relief, which is aimed primarily at easing the effect of significant tax increases. The homestead credit refund, the renter's property tax refund, and targeted credits are reimbursed to the taxpayer upon application by the taxpayer. Property tax levy reduction aid includes educational aids, local governmental aid, equalization aid, county program aid and disparity reduction aid.

Debt Limitations

All Minnesota municipalities (counties, cities, towns and school districts) are subject to statutory "net debt" limitations under the provisions of Minnesota Statutes, Section 475.53. Net debt is defined as the amount remaining after deducting from gross debt the amount of current revenues that are applicable within the current fiscal year to the payment of any debt and the aggregate of the principal of the following:

1. Obligations issued for improvements which are payable wholly or partly from the proceeds of special assessments levied upon property specially benefited thereby, including those which are general obligations of the municipality issuing them, if the municipality is entitled to reimbursement in whole or in part from the proceeds of the special assessments.

2. Warrants or orders having no definite or fixed maturity.

3. Obligations payable wholly from the income from revenue producing conveniences.

4. Obligations issued to create or maintain a permanent improvement revolving fund.

5. Obligations issued for the acquisition, and betterment of public waterworks systems, and public lighting, heating or power systems, and of any combination thereof or for any other public convenience from which a revenue is or may be derived.

6. Debt service loans and capital loans made to a school district under the provisions of Minnesota Statutes, Sections 126C.68 and 126C.69.

7. Amount of all money and the face value of all securities held as a debt service fund for the extinguishment of obligations other than those deductible under this subdivision.

8. Obligations to repay loans made under Minnesota Statutes, Section 216C.37.

9. Obligations to repay loans made from money received from litigation or settlement of alleged violations of federal petroleum pricing regulations.

10. Obligations issued to pay pension fund or other postemployment benefit liabilities under Minnesota Statutes, Section 475.52, subdivision 6, or any charter authority.

11. Obligations issued to pay judgments against the municipality under Minnesota Statutes, Section 475.52, subdivision 6, or any charter authority.

12. All other obligations which under the provisions of law authorizing their issuance are not to be included in computing the net debt of the municipality.

Levies for General Obligation Debt
(Sections 475.61 and 475.74, Minnesota Statutes)

Any municipality that issues general obligation debt must, at the time of issuance, certify levies to the county auditor of the county(ies) within which the municipality is situated. Such levies shall be in an amount that if collected in full will, together with estimates of other revenues pledged for payment of the obligations, produce at least five percent in excess of the amount needed to pay principal and interest when due. Notwithstanding any other limitations upon the ability of a taxing unit to levy taxes, its ability to levy taxes for a deficiency in prior levies for payment of general obligation indebtedness is without limitation as to rate or amount.

Metropolitan Revenue Distribution (Chapter 473F, Minnesota Statutes)
"Fiscal Disparities Law"

The Charles R. Weaver Metropolitan Revenue Distribution Act, more commonly known as "Fiscal Disparities," was first implemented for taxes payable in 1975. Forty percent of the increase in commercial-industrial (including public utility and railroad) net tax capacity valuation since 1971 in each assessment district in the Minneapolis/Saint Paul seven-county metropolitan area (Anoka, Carver, Dakota, excluding the City of Northfield, Hennepin, Ramsey, Scott, excluding the City of New Prague, and Washington Counties) is contributed to an area-wide tax base. A distribution index, based on the factors of population and real property market value per capita, is employed in determining what proportion of the net tax capacity value in the area-wide tax base shall be distributed back to each assessment district.

STATUTORY FORMULAE: CONVERSION OF TAXABLE MARKET VALUE (TMV) TO NET TAX CAPACITY FOR MAJOR PROPERTY CLASSIFICATIONS

Property Type	Local Tax Payable 2015-2019
Residential Homestead (1a)	
Up to $500,000	1.00%
Over $500,000	1.25%
Residential Non-homestead	
Single Unit (4bb)	
Up to $500,000	1.00%
Over $500,000	1.25%
1-3 unit and undeveloped land (4b1)	1.25%
Market Rate Apartments	
Regular (4a)	1.25%
Low-Income (4d)	
Up to $139,000[(c)]	0.75%
Over $139,000[(c)]	0.25%
Commercial/Industrial/Public Utility (3a)	
Up to $150,000	1.50%[(a)]
Over $150,000	2.00%[(a)]
Electric Generation Machinery	2.00%
Commercial Seasonal Residential	
Homestead Resorts (1c)	
Up to $600,000	0.50%
$600,000 - $2,300,000	1.00%
Over $2,300,000	1.25%[(a)]
Seasonal Resorts (4c)	
Up to $500,000	1.00%[(a)]
Over $500,000	1.25%[(a)]
Non-Commercial (4c12)	
Up to $500,000	1.00%[(a)(b)]
Over $500,000	1.25%[(a)(b)]
Disabled Homestead (1b)	
Up to $50,000	0.45%
Agricultural Land & Buildings	
Homestead (2a)	
Up to $500,000	1.00%
Over $500,000	1.25%
Remainder of Farm	
Up to $1,900,000[(d)]	0.50%[(b)]
Over $1,900,000[(d)]	1.00%[(b)]
Non-homestead (2b)	1.00%[(b)]

(a) *State tax is applicable to these classifications.*

(b) *Exempt from referendum market value based taxes.*

(c) *Legislative increases, payable 2019. Historical valuations are: Payable 2018 - $121,000; Payable 2017 - $115,000; Payable 2016 - $106,000; and Payable 2015 - $100,000.*

(d) *Legislative increases, payable 2019. Historical valuations are: Payable 2018 - $1,940,000; Payable 2017 - $2,050,000; Payable 2016 - $2,140,000; and Payable 2015 - $1,900,000.*

NOTE: For purposes of the State general property tax only, the net tax capacity of non-commercial class 4c(1) seasonal residential recreational property has the following class rate structure: First $76,000 – 0.40%; $76,000 to $500,000 – 1.00%; and over $500,000 – 1.25%. In addition to the State tax base exemptions referenced by property classification, airport property exempt from city and school district property taxes under M.S. 473.625 is exempt from the State general property tax (MSP International Airport and Holman Field in Saint Paul are exempt under this provision).

APPENDIX IV

EXCERPT OF 2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Data on the following pages was extracted from the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018. The reader should be aware that the complete financial statements may contain additional information which may interpret, explain or modify the data presented here.

The City's comprehensive annual financial reports for the years ending 1966 through 2017 were awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. The City has submitted its CAFR for the 2018 fiscal year to GFOA.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report (CAFR), whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

PROPOSAL SALE DATE: August 12, 2019

City of Brooklyn Center, Minnesota

$9,850,000* General Obligation Improvement and Utility Revenue Bonds, Series 2019A

For the Bonds of this Issue which shall mature and bear interest at the respective annual rates, as follow, we offer a price of $_____ (which may not be less than $9,771,200) plus accrued interest, if any, to the date of delivery.

Year	Interest Rate (%)	Yield (%)	Dollar Price	Year	Interest Rate (%)	Yield (%)	Dollar Price
2021	_____%	_____%	_____%	2026	_____%	_____%	_____%
2022	_____%	_____%	_____%	2027	_____%	_____%	_____%
2023	_____%	_____%	_____%	2028	_____%	_____%	_____%
2024	_____%	_____%	_____%	2029	_____%	_____%	_____%
2025	_____%	_____%	_____%	2030	_____%	_____%	_____%

Designation of Term Maturities

Years of Term Maturities _____ _____
_____ _____

In making this offer on the sale date of August 12, 2019 we accept all of the terms and conditions of the Terms of Proposal published in the Preliminary Official Statement dated July 24, 2019 including the City's right to modify the principal amount of the Bonds. (See "Terms of Proposal" herein.) In the event of failure to deliver these Bonds in accordance with said Terms of Proposal, we reserve the right to withdraw our offer, whereupon the deposit accompanying it will be immediately returned. All blank spaces of this offer are intentional and are not to be construed as an omission.

By submitting this proposal, we confirm that we have an established industry reputation for underwriting municipal bonds such as the Bonds.

Not as a part of our offer, the above quoted prices being controlling, but only as an aid for the verification of the offer, we have made the following computations:

NET INTEREST COST: $_____

TRUE INTEREST RATE: _____ %

The Bidder ☐ will not ☐ will purchase municipal bond insurance from _____.

Account Members

_____
Account Manager

By: _____
Phone: _____

.....

The foregoing proposal has been accepted by the City.

Attest: _____ Date: _____

.....

* *Preliminary; subject to change.*

Phone: 651-223-3000
Fax: 651-223-3046
Email: bond_services@bakertilly.com

COUNCIL ITEM MEMORANDUM

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: N/A

FROM: Nate Reinhardt, Finance Director

SUBJECT: Resolution Authorizing the Execution and Delivery of a Ground Lease and a Lease-Purchase Agreement, and Approving and Authorizing Issuance of Lease Revenue Bonds and Execution of Related Documents

Requested Council Action:

- Motion to approve a resolution of the City Council authorizing the execution and delivery of a ground lease and a lease-purchase agreement with the Economic Development Authority of Brooklyn Center, and approving and authorizing issuance of lease revenue bonds and execution of related documents.

Background:

The attached proposed resolution authorizes the Mayor and the City Manager to enter into:

- A Ground Lease dated as of September 1, 2019 with the Economic Development Authority of Brooklyn Center (EDA). The Ground Lease will allow the EDA to acquire a leasehold interest in a portion of City owned property at 1350 Shingle Creek Crossing (Property) which is currently being constructed as a municipal liquor store.

- A Lease-Purchase Agreement dated as of September 1, 2019 with the EDA, where the City will lease the Property, together with the buildings, structures or improvements on the Property.

Under Minnesota Statutes the EDA is authorized to issue revenue bonds for any of its corporate purposes and to pledge thereto income and revenues of the EDA. The Ground Lease and Lease-Purchase Agreement will allow the EDA to issue Lease Revenue Bonds, Series 2019B to finance the Municipal Liquor Store Project.

A related proposed resolution is on the EDA's agenda for consideration that authorizes the EDA to take the following action:

- Issue Lease Revenue Bonds, Series 2019B in an amount not-to-exceed $2,735,000 for the purposes of constructing a new liquor store #1 at 1350 Shingle Creek Crossing.

The EDA has retained Baker Tilly Municipal Advisors, LLC, as an independent advisor to assist the EDA in connection with the sale of the Series 2019B Bonds on a negotiated basis to Robert W. Baird & Co.

In order to ensure the best execution of the bond sale, the proposed EDA resolution establishes acceptable parameters for the bond sale and authorizes the President and Executive Director of the EDA to execute the sale of the Lease Revenue Bonds in an amount not-to-exceed $2,735,000 and at a true interest rate not-to-exceed 3.0%. The bond proceeds will be used to pay for the costs of acquisition, construction and equipping of the City's municipal liquor store.

On June 24, 2019 the City awarded the bid for the construction of the Municipal Liquor Store to B2 Builders in the amount of $2,219,000. The total estimated budget including land acquisition, design, administration, construction and furnishings is estimated at $3.6 million.

Budget Issues:

As mentioned previously in the memo, the resolution establishes the maximum parameters for the bond sale of a principal amount of $2,735,000 and a true interest rate non-to-exceed 3.0% to provide some flexibility for the issuance. However, preliminary estimates anticipate the principal amount of the bond issue will be $2,620,000 at an estimated true interest rate of 2.5%. The bonds will have an estimated annual payment of principal and interest of $222,000 over a period of 15 years. The payment will be repaid from Municipal Liquor Store revenues. The City was paying approximately $230,000 per year in rent and common area maintenance charges at the current location of Store #1.

Proceeds from the bonds will be received September 18th, 2019.

Strategic Priorities and Values:

Safe, Secure, Stable Community

ATTACHMENTS:

Description	Upload Date	Type
Resolution Authorizing Ground Lease and Lease-Purchase Agreement	8/8/2019	Resolution Letter
Ground Lease Draft	8/8/2019	Backup Material
Lease-Purchase Agreement Draft	8/8/2019	Backup Material
Indenture Draft	8/8/2019	Backup Material

CITY OF BROOKLYN CENTER
COUNTY OF HENNEPIN
STATE OF MINNESOTA

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE AND A LEASE-PURCHASE AGREEMENT, AND APPROVING AND AUTHORIZING ISSUANCE OF LEASE REVENUE BONDS AND EXECUTION OF RELATED DOCUMENTS

BE IT RESOLVED by the City Council of the City of Brooklyn Center, Minnesota (the "City") as follows:

Section 1. Recitals.

1.01. The City is authorized by Minnesota Statutes, Section 465.71, as amended, to acquire real and personal property under lease-purchase agreements.

1.02. The Economic Development Authority of Brooklyn Center, Minnesota (the "EDA") is authorized by Minnesota Statutes, Section 465.71, Sections 469.001 to 469.047, Sections 469.090 to 469.1082, Chapter 471, and Chapter 475, as amended (the "Act"), to issue revenue bonds for any of its corporate purposes, and to pledge thereto income and revenues of the EDA and pursuant to Minnesota Statutes, Sections 469.091, Subdivision 1, the EDA has the powers of a housing and redevelopment authority under Minnesota Statutes, Sections 469.001 to 469.047.

1.03 Pursuant to the Act, the EDA has formed Housing Development and Redevelopment Project No. 1 (the "Project Area") and has adopted a Redevelopment Plan (the "Redevelopment Plan") for the Project Area which sets forth development objectives for the Project Area. A major objective of the Redevelopment Plan is to foster the development and redevelopment of commercial facilities in the Project Area.

1.04. The City has acquired certain property legally described as Lot 5, Block 1, Shingle Creek Crossing 5th Addition, County of Hennepin, State of Minnesota (the "Property") located in the EDA's Project Area.

1.05. The City and the EDA propose that pursuant to a Ground Lease dated as of September 1, 2019 (the "Ground Lease"), the EDA will acquire a leasehold interest in the Property, excluding the Excluded Portion (as defined therein) (the "Leased Premises") from the City, and the EDA will lease such Leased Premises, together with the buildings, structures or improvements now or hereafter located thereon (consisting of the Site and the Facility as defined therein), to the City pursuant to a Lease-Purchase Agreement dated as of September 1, 2019 (the "Lease").

1.06. Pursuant to a Trust Indenture dated as of September 1, 2019 (the "Indenture") between the EDA and Zions Bancorporation, National Association, as trustee (the "Trustee"), the EDA will issue its Lease Revenue Bonds (Municipal Liquor Store Project), Series 2019B (the "Series 2019B Bonds") in a principal amount not to exceed $2,735,000.

1.07. Under the Indenture, proceeds of the Series 2019B Bonds will be used to pay costs of acquisition, construction and equipping of the City's municipal liquor store (the "Facility") and the Series 2019B Bonds will be secured by and payable from the lease payments under the Lease.

1.08. Forms of the Ground Lease, the Lease, the Indenture, the Official Statement for the Series 2019B Bonds and a Continuing Disclosure Certificate of the EDA and the City dated on or after September 1, 2019 (the "Continuing Disclosure Certificate"), have been prepared and submitted to this Council and are on file with the City.

Section 2. Findings. On the basis of information given the City to date, it is hereby found, determined and declared that:

(a) it is desirable and in the best interest of the City to enter into the Ground Lease, the Lease and the Continuing Disclosure Certificate.

(b) the terms of the Ground Lease, the Lease, the Indenture, and the Continuing Disclosure Certificate are found to be advantageous to the City and the form and terms thereof are hereby approved.

(c) The Site and the Facility described in the Lease constitute government property necessary in connection with the operation of the City's municipal liquor store, and the City presently intends to appropriate all Lease Payments under the Lease for the term of the Lease; however, the obligations of the City under the Lease are not to be payable from nor charged upon any funds of the City other than the funds appropriated annually to the payment thereof, and the Lease shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the City except its interest in the Lease and in the Site and the Facility under the Lease.

Section 3. Authorization of Documents. The Ground Lease, the Lease, and the Continuing Disclosure Certificate, together with any other documents or certifications necessary in connection with the issuance of the Bonds, are hereby approved (collectively, the "Financing Documents"). The Mayor and the City Manager are authorized and directed to execute and deliver the Financing Documents on behalf of the City, substantially in the forms on file, but with all such changes therein as shall be approved by the officers executing the same, which approval shall be conclusively evidenced by the execution thereof. Copies of all of the Financing Documents shall be delivered, filed and recorded as provided therein. The Mayor and the City Manager of the City are also authorized and directed to execute such other instruments as may be required to give effect to the transactions herein contemplated.

Section 4. Official Statement. The Official Statement, as completed and supplemented, and its distribution to potential purchasers of the Series 2019B Bonds, is hereby approved. The Mayor and City Manager are authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

Section 5. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Series 2019B Bonds; however, any bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this section.

Section 6. Approval of Issuance and Sale of Series 2019B Bonds. The issuance and sale by the EDA of the Series 2019B Bonds as described in the Official Statement and the Indenture are hereby approved in all respects. The City will pay, from proceeds of the Series 2019B Bonds or from other City funds, the costs of issuance of the Series 2019B Bonds. The City hereby authorizes and requests that the EDA issue the Bonds in accordance with the terms of a resolution of the Board of Commissioners of the EDA adopted on the date hereof as further set forth in the Indenture.

Section 7. Payment of Lease Payments. The City will pay to the Trustee, promptly when due, all of the Lease Payments and other amounts required by the Lease. To provide moneys to make such payments, the City will include in its annual budget, for each Fiscal Year during the term of the Lease, commencing with the Fiscal Year ending on December 31, 2020, moneys sufficient to pay and for the purpose of paying all Lease Payments, a reasonable estimate of Additional Lease Payments, and other amounts payable under the Lease. The agreement of the City in this Section is subject to the City's right to terminate the Lease at the end of any Fiscal Year, as set forth in Section 5.6 of the Lease.

Section 9. Miscellaneous.

9.01. Not Arbitrage Bonds. The City covenants and agrees with the holders from time to time of the Series 2019B Bonds that the investment of proceeds of the Series 2019B Bonds, including the investment of any revenues pledged to the Lease Payments which are considered proceeds under applicable regulations, and accumulated sinking funds, if any, shall be limited as to amount and yield in such manner that the Series 2019B Bonds shall not be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder, and that the City shall comply with all other applicable requirements of Section 148. On the basis of the existing facts, estimates and circumstances, including the foregoing findings and covenants, the City hereby certifies that it is not expected that the proceeds of the Series 2019B Bonds will be used in such manner as to cause the Series 2019B Bonds to be "arbitrage bonds" under Section 148 and any regulations thereunder. The Site, the Facility and the proceeds of the Series 2019B Bonds will likewise be used in such manner that the Series 2019B Bonds will not be "private activity bonds" under Section 141 of the Internal Revenue Code of 1986, as amended, and applicable regulations.

9.02. Not Private Activity Bonds. No action shall be taken or authorized to be taken in connection with the application or investment of the proceeds of the Series 2019B Bonds which would cause the Series 2019B Bonds to be or become "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code") and the applicable Treasury Regulations (the "Regulations") promulgated thereunder, or be or become "arbitrage bonds" within the meaning of Section 148 of the Code and the applicable Regulations promulgated thereunder. The City shall take all such actions as may be required under the Code and applicable Regulations to ensure that interest on the Series 2019B Bonds is not includable in gross income for federal income tax purposes. The Site, the Facility, and the proceeds of the Series 2019B Bonds will likewise be used in such manner that the Series 2019B Bonds will not be "private activity bonds" under Section 141 of the Code and the Regulations.

9.03. 8038. The City covenants that it will file (or cause the EDA to file) with the Internal Revenue Service the information required under Section 149(e) of the Internal Revenue Code of 1986

9.04. Definitions. Capitalized terms used herein and defined in the Lease or the Indenture have the meanings given in the Lease or the Indenture.

9.05. Bond Transcript. The officers of the City are authorized and directed to prepare and furnish to the original purchaser of the Series 2019B Bonds, and to the attorneys approving the Series 2019B Bonds, certified copies of all proceedings and records of the City relating to the power and authority of the City to enter into the Financing Documents within their knowledge or as shown by the books and records in their custody and control, and such certified copies and certificates shall be deemed representations of the City as to the facts stated therein.

9.06. Property Configuration. The City hereby authorizes, ratifies and confirms the division of the Property to create the Excluded Portion as a separate legal parcel through a registered land survey or other means.

August 12, 2019 _____
Date

_____
Mayor

ATTEST:_____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by member _____

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

CITY CLERK'S CERTIFICATE

I, the undersigned, being the duly qualified and acting City Clerk of the City of Brooklyn Center, Minnesota, DO HEREBY CERTIFY that I have carefully compared the attached and foregoing extract of minutes of a duly called and regularly held meeting of the City Council of said City held on August 12, 2019, with the original minutes thereof on file in my office and I further certify that the same is a full, true, and correct transcript thereof insofar as said minutes relate to the related actions referenced therein with respect to the Economic Development Authority of Brooklyn Center, Minnesota's Lease Revenue Bonds (Municipal Liquor Store Project), Series 2018B.

WITNESS My hand this ____ day of August, 2019.

_____

City Clerk
Brooklyn Center, Minnesota

GROUND LEASE

Between

CITY OF BROOKLYN CENTER
As Lessor

and

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF BROOKLYN CENTER, MINNESOTA
As Lessee

Dated as of September 1, 2019

This instrument was drafted by:
KENNEDY & GRAVEN, CHARTERED (JSB)
470 U.S. Bank Plaza, 200 South Sixth Street
Minneapolis, Minnesota 55402
(612)337-9300

THIS GROUND LEASE, made as of this 1st day of September, 2019, by and between the CITY OF BROOKLYN CENTER, a home rule charter city and political subdivision of the State of Minnesota (the "City"), as Lessor and the Economic Development Authority of Brooklyn Center, Minnesota, a public body corporate and politic and political subdivision of the State of Minnesota (together with its successors and assigns as lessee hereunder, the "EDA"), as Lessee.

W I T N E S S E T H :

In consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

ARTICLE I

Demise Of Site And Warranties

Section 1.01. Demise. Subject to and upon the terms, conditions, covenants and undertakings hereinafter set forth, the City hereby leases and permits the use to, and the EDA hereby leases from the City, the property described in **Exhibit A** attached hereto, located in Hennepin County, Minnesota (the "Site"). For the avoidance of doubt, the parties acknowledge and agree that the Site does not include the portion of the building constructed on Lot 5, Block 1, Shingle Creek Crossing 5th Addition, County of Hennepin, State of Minnesota, which is described after the word "Excluding" in **Exhibit A** and is depicted in **Exhibit B** (the "Excluded Portion") which the City shall retain for its own use and enjoyment.

Section 1.02. Warranties. The City covenants and warrants to the EDA:

(1) That the City has good and merchantable title to the Site, has authority to enter into, execute and deliver this Ground Lease, has duly authorized the execution and delivery of this Ground Lease and has duly executed and delivered this Ground Lease;

(2) That the Site is not subject to any dedication, easement, right-of-way, reservation in patent, covenant, condition, restriction, lien or encumbrance which would prohibit or materially interfere with the construction of certain facilities, including a municipal liquor store (the "Facilities") on the Site, as contemplated by that certain Lease-Purchase Agreement by and between the City and the EDA of even date herewith (the "Lease");

(3) That all taxes, assessments or impositions of any kind with respect to the Site, except current taxes, have been paid in full;

(4) That the Site is properly zoned for the purpose of the Facilities; and

(5) That the City has authority to enter into, execute and deliver the Lease, has duly authorized its execution and delivery, and has duly executed and delivered the Lease.

Section 1.03. Environmental Covenant. To the best knowledge of the City, after due inquiry, (i) no dangerous, toxic or hazardous pollutants, contaminants, chemicals, waste, materials or substances, as defined in or governed by the provisions of any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating thereto (collectively, "Environmental Regulations"), and also including ureaformaldehyde, polychlorinated biphenyls, asbestos, asbestos containing materials, nuclear fuel or waste, radioactive materials, explosives, carcinogens and petroleum products, or any other waste, material, substance, pollutant or contaminant which would subject the owner of the Site and the Facilities to any damages, penalties or liabilities under any applicable Environmental Regulation (collectively, "Hazardous Substances") are now or have been stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited or disposed of in, upon, under, over or from the Site or the Facilities in violation of any Environmental Regulation; (ii) no threat exists of a discharge, release or emission of a Hazardous Substance upon or from the Site into the environment; (iii) the Site has not been used as or for a mine, a landfill, a dump or other disposal facility, an industrial or manufacturing facility, or a gasoline service station; (iv) no underground storage tank is located at the Site or has previously been located therein but has been removed therefrom; (v) no violation of any Environmental Regulation now exists relating to the Site or the Facilities, no notice of any such violation or any alleged violation thereof has been issued or given by any governmental entity or agency, and there is not now any investigation or report involving the Site or the Facilities by any governmental entity or agency which in any way relates to Hazardous Substances; (vi) no person, party or private or governmental agency or entity has given any notice of or asserted any claim, cause of action, penalty, cost or demand for payment or compensation, whether or not involving any injury or threatened injury to human health, the environment or natural resources, resulting or allegedly resulting from any activity or event described in (i) above; (vii) there are not now any actions, suits, proceedings or damage settlements relating in any way to Hazardous Substances, in, upon, under, over or from the Site, (viii) the Site is not listed in the United States Environmental Protection Agency's National Priorities List of Hazardous Waste Sites or any other list of Hazardous Substance sites maintained by any federal, state or local governmental agency; and (ix) the Site is not subject to any lien or claim for lien or threat of a lien in favor of any governmental entity or agency as a result of any release or threatened release of any Hazardous Substance.

The City shall not store, locate, generate, produce, process, treat, transport, incorporate, discharge, emit, release, deposit or dispose of any Hazardous Substance in, upon, under, over or from the Site or the Facilities in violation of any Environmental Regulation, shall not permit any Hazardous Substance to be stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom in violation of any Environmental Regulation, shall cause all Hazardous Substances to be properly removed therefrom and properly disposed of in accordance with all applicable Environmental Regulations, shall not install or permit to be installed any underground storage tank therein or thereunder in violation of any Environmental Regulations which are applicable to the Site and the Facilities.

In the event any Hazardous Substance is found upon, under, over or from the Site or the Facilities in violation of any Environmental Regulation or if any lien or claim for lien in favor of any governmental entity or agency as a result of any release of any Hazardous Substance is

threatened, the City, at its sole cost and expense, shall, within 10 days of such finding, deliver written notice thereof to the EDA and the Trustee (as defined in the Lease) and shall promptly remove such Hazardous Substances upon, under, over or from the Site or the Facilities and prevent the imposition of any liens against the Site or the Facilities for the cleanup of any Hazardous Materials. Such removal shall be conducted and completed in compliance with all applicable federal, state and local laws, regulations, rules ordinances and policies, in accordance with the orders and directives of all federal, state and local governmental authorities. In the event the City has not removed such Hazardous Substances within a time period deemed reasonable by the Trustee, the City shall, at the written direction of the Trustee, take such remedial action as the Trustee shall direct. In the event the City shall not comply with the written directions of the Trustee within the time frame established within its written directions, the City hereby grants to the EDA and the Trustee an irrevocable license to remove Hazardous Substances from, repair, clean up, and detoxify the Site and the Facilities and agrees to reimburse the EDA and the Trustee for all of their costs therefor. The City reserves the right to recover from responsible third parties all costs or reimbursements paid by the City under this Section 1.03.

The City further agrees, to the extent permitted by Minnesota law, to reimburse the EDA and the Trustee for any and all claims, demands, judgments, penalties, liabilities, costs, damages and expenses, including court costs and attorneys' fees directly or indirectly incurred by the EDA and the Trustee (prior to trial, at trial and on appeal) in any action against or involving the EDA or the Trustee, resulting from any breach of the foregoing covenants, or from the discovery of any Hazardous Substance, in, upon, under or over, or emanating from the Site or the Facilities, whether or not the City is responsible therefor, it being the intent of the City, the EDA and the Trustee that the EDA and the Trustee shall have no liability or responsibility for damage or injury to human health, the environment or natural resources caused by, for abatement and/or clean up of, or otherwise with respect to, Hazardous Substances by virtue of the interests of the EDA and the Trustee in the Site and the Facilities pursuant to this Ground Lease, or hereafter created, or as the result of the EDA or the Trustee exercising any of its or their rights or remedies with respect thereto hereunder or under any other instrument, including but not limited to becoming the owner thereof by foreclosure or conveyance in lieu of foreclosure. The foregoing representations, warranties and covenants of this Section shall be deemed continuing covenants, representations and warranties for the benefit of the EDA and the Trustee, including but not limited to any purchaser at a foreclosure sale, any transferee of the title of the Trustee or any other purchaser at a foreclosure sale, and any subsequent owner of the Site or the Facilities, and shall survive the satisfaction or release of this Ground Lease, any foreclosure of a mortgage lien under the Indenture or any other instrument, and/or any acquisition of title to the Site or the Facilities or any part thereof by the EDA or the Trustee, by deed in lieu of foreclosure of otherwise. Any amounts covered by the foregoing shall bear interest from the date incurred at the maximum rate permitted by law and shall be payable on demand.

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ARTICLE II

Term And Rent

Section 2.01. Term. The term of this Ground Lease shall commence as of the day and year first above written, and shall end on February 1, 2045 subject to earlier termination as provided in the Lease.

Section 2.02. Rent. The rent for the entire term of this Ground Lease shall be One Dollar ($1.00), payable in one installment in advance on the Closing Date, as defined in the Lease.

ARTICLE III

Use Of Site; Additional Covenants

Section 3.01. Use. The EDA shall not use or permit the use of the Site for any unlawful purpose.

Section 3.02. Quiet Enjoyment. The City covenants that upon the EDA's paying the rent reserved herein, and performing all conditions and covenants set forth in this Ground Lease and the Lease, the EDA shall and may peaceably have, hold and enjoy the Site for the term of this Ground Lease. The EDA covenants that upon expiration of this Ground Lease, it shall give the City peaceable possession of the Site, together with the Facilities and any other improvements constructed thereon pursuant to the Lease.

Section 3.03. Assignment and Subletting. The EDA shall have the right to assign its interest in this Ground Lease, and to sublet the Site in accordance with the Lease. Specifically, on the date of execution of this Ground Lease, the EDA shall assign all of its right, title and interest hereunder to the Trustee named in the Lease, and the City hereby consents to such assignment. From and after such assignment, all references herein to the EDA shall be deemed to be references to the Trustee.

Section 3.04. Additional Covenants. In the event that any person or entity, however organized (other than the EDA or any assignee of the EDA), shall be determined to hold any interest that in any manner affects the City's good and merchantable title to the Site, the City shall use its best efforts to acquire the interest so held, such acquisition to be made at the City's sole cost and expense. The City hereby agrees to save and keep harmless the EDA, or any assignee of the EDA, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees, but only in the event that litigation is actually commenced by the EDA) of whatever kind and nature, imposed on, incurred by or asserted against the EDA, or any assignee of the EDA, that in any way relate to or arise out of the assertion of any interest affecting the City's good and merchantable title to the Site by any person or entity, however organized (other than the EDA or any assignee of the EDA).

ARTICLE IV

Lessee's Default; Remedies

Section 4.01 Lessee's Default. The following shall be an "event of default" or a "default" hereunder: if Lessee shall fail to (i) pay the rent provided herein, (ii) observe or perform any of the obligations of Lessee otherwise provided herein, (iii) observe or perform any of its obligations under the Lease in accordance with the terms thereof.

Section 4.02 Lessor's Remedies. Upon the occurrence of an event of default by Lessee hereunder, which shall remain uncured for 30 days after receipt by Lessee of written notice of such event of default, Lessor may thereafter or any time subsequently during the existence of such breach or default; (i) enter into and upon the Land and repossess the same, expelling and removing therefrom all persons and property, and (ii) terminate this Ground Lease, holding Lessee liable for damages for its breach.

ARTICLE IV

Miscellaneous

Section 5.01. Binding Effect. This Ground Lease shall be binding upon, and inure to the benefit of, the parties hereto, and their successors and assigns.

Section 5.02. Certain Defined Terms. Unless the context hereof clearly requires otherwise, capitalized terms used in this Ground Lease and defined in the Lease are used herein with the same meanings as set forth in the Lease.

Section 5.03 Applicable Law. This Ground Lease shall be interpreted and enforced in accordance with the laws of the State of Minnesota.

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IN WITNESS WHEREOF, the parties hereto have executed this Ground Lease as of the date first above written.

CITY OF BROOKLYN CENTER, MINNESOTA

By _____
Its Mayor

By _____
Its City Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by _____ and _____, the Mayor and City Manager, respectively, of the City of Brooklyn Center, Minnesota, a home rule charter city and political subdivision of the State of Minnesota, on behalf of said political subdivision.

_____
Notary Public

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ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA

By _____
Its President

By _____
Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by _____ and _____, the President and Executive, respectively, of the Economic Development Authority of Brooklyn Center, Minnesota, a body corporate and politic organized and existing under the Constitution and laws of the State of Minnesota and political subdivision of the State of Minnesota, on behalf of said political subdivision.

_____
Notary Public

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EXHIBIT A

Legal Description

Lot 5, Block 1, Shingle Creek Crossing 5th Addition, County of Hennepin, State of Minnesota

Excluding:

[insert metes and bounds description of Excluded Portion]

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EXHIBIT B

Depiction of Excluded Portion

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LEASE-PURCHASE AGREEMENT

between

ECONOMIC DEVELOPMENT OF THE CITY OF BROOKLYN CENTER, MINNESOTA
as Lessor

and

CITY OF BROOKLYN CENTER, MINNESOTA
as Lessee

Dated as of September 1, 2019

DRAFT

This instrument drafted by:

KENNEDY & GRAVEN, Chartered (JSB)
200 South Sixth Street
470 U.S. Bank Plaza
Minneapolis, Minnesota 55402
(612) 337-9300

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THIS LEASE-PURCHASE AGREEMENT dated as of September 1, 2019 (the "Lease"), by and between the ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA, a public body corporate and politic and political subdivision of the State of Minnesota, as lessor (the "EDA"), and the CITY OF BROOKLYN CENTER, a home rule charter city and political subdivision of the State of Minnesota (the "City"), as lessee;

WITNESSETH:

WHEREAS, the City is authorized by law to acquire such items of real and personal property as are needed to carry out its governmental and proprietary functions, and to acquire such real and personal property by entering into lease-purchase contracts; and

WHEREAS, the City has determined that it is necessary for it to acquire pursuant to this Lease the EDA's interest in certain real property described on **Exhibit A** hereto (the "Site"), together with certain buildings, structures and improvements to be constructed thereon, and certain equipment and furnishings to be contained therein (as further defined herein, the "Facilities"); and

WHEREAS, the development of the Site and the Facilities is consistent with and furthers the economic development functions of the EDA; and

WHEREAS, the EDA is willing to acquire a leasehold interest in the Site pursuant to a Ground Lease of even date herewith (the "Ground Lease") from the City to the EDA and to acquire title to the Facilities and to lease and sell the Site and the Facilities to the City, pursuant to this Lease; and

WHEREAS, to provide funds for the acquisition and construction of the Facilities, the EDA will issue its $2,620,000 Economic Development Authority of Brooklyn Center, Minnesota Lease Revenue Bonds (Liquor Store Project), Series 2019B (the "Series 2019B Bonds"), pursuant to a resolution adopted by the Board of Commissioners of the EDA on August 12, 2019 and a Trust Indenture of even date herewith (the "Indenture"), between the EDA and Zions Bancorporation, Chicago, Illinois, as trustee (the "Trustee"); and

WHEREAS, pursuant to the Indenture, the EDA will assign to the Trustee all of the EDA's right, title and interest in and to the Ground Lease, this Lease and the Lease Payments to be made hereunder (other than certain rights to indemnification and payment of expenses of the EDA);

NOW, THEREFORE, in the joint and mutual exercise of their powers, and in consideration of the mutual covenants herein contained, the parties hereto recite and agree as follows:

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ARTICLE I

Definitions and Exhibits

Section 1.1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Lease and Exhibits attached hereto, have the meanings herein specified:

"Additional Lease Payments" means payments due from the City pursuant to Section 4.3 hereof.

"Authorized Officer," when used with respect to the City, means its Mayor, its City Manager, its Clerk, or any other person who is designated in writing by the City as an Authorized Officer for purposes of this Lease, and when used with respect to the EDA means its Secretary, Executive Director, President or any other person who is designated in writing by the EDA as an Authorized Officer for purposes of this Lease.

"Bond Counsel" means any attorney or law firm having a national reputation as bond counsel in connection with the issuance of state and local governmental obligations and appointed by the EDA as bond counsel.

"Bonds" means the Series 2019B Bonds and any Additional Bonds issued pursuant to the Indenture.

"Business Day" means any day on which the Trustee is open for business.

"City" means the City of Brooklyn Center, a home rule charter city and political subdivision of the State of Minnesota, and any successor to its functions.

"City Council" means the City Council of the City and any successor as governing body of the City.

"Closing Date" means the date upon which the Bonds of any series are delivered to the Original Purchaser (as defined in the Indenture) against payment therefor.

"Completion Date" means the date of completion of construction of the Facilities, established in accordance with Section 3.2(e) hereof.

"Cost of Issuance" means all fees and expenses incurred by the City and the EDA in connection with the execution and delivery of the Lease and the issuance of the Bonds, including, but not limited to, costs of preparing and printing the Bonds, this Lease, the Ground Lease, the Indenture, the Official Statement relating to the Bonds, and related documents; legal fees (including, without limitation, those of Bond Counsel, counsel to the Trustee, the EDA, the City and the Insurer); recording fees and title insurance premiums; Rating Agency fees; financial advisor's fees; the Trustee's initial fees.

"EDA" means the Economic Development Authority of Brooklyn Center, Minnesota, a public body corporate and politic and political subdivision of the State of Minnesota, and its successors and assigns as lessor hereunder.

"Excluded Portion" means the portion of the building constructed on Lot 5, Block 1, Shingle Creek Crossing 5th Addition, County of Hennepin, State of Minnesota, which is described after the word "Excluding" in **Exhibit A** and is depicted in **Exhibit D**.

"Facilities" means any buildings, structures and improvements to be constructed as the City's municipal liquor store on the Site, and all furniture, fixtures and equipment to be acquired with proceeds of sale of the Bonds and located thereon. For the avoidance of doubt, the parties acknowledge and agree that the Facilities do not include the Excluded Portion.

"Fiscal Year" means the 12-month fiscal period of the City, which commences on January 1 and ends on December 31 of each year.

"Ground Lease" means the Ground Lease, dated as of September 1, 2019, by which the City leases the Site to the EDA, as amended or supplemented from time to time.

"Improvements" means any addition, enlargement, improvement, extension or alteration of or to the Facilities as they then exist, and also means any fixtures, structures or other facilities (other than the Facilities) acquired or constructed by the City and located on the Site.

"Indenture" means the Trust Indenture dated as of September 1, 2019, by and between the EDA and the Trustee, and any amendments or supplements thereto.

"Independent," when used with reference to an attorney, engineer, architect, certified public accountant, consultant or other professional person, means a person who (i) is in fact independent, (ii) does not have any material financial interest in the City or the transaction to which such person's Certificate or opinion relates (other than payment to be received for professional services rendered), and (iii) is not connected with the EDA or the City as an officer, director or employee.

"Independent Counsel" means an Independent attorney duly admitted to practice law before the highest court of any state.

"Interest Payment Date" means August 1, 2020and each February 1 and August 1 thereafter until the Bonds are paid in full.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

"Lease" means this Lease-Purchase Agreement, between the EDA, as lessor, and the City, as lessee, as amended or supplemented from time to time.

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"Lease Payment" means each of the payments due from the City to the EDA on each Lease Payment Date during the Term of this Lease, as shown on **Exhibit B**.

"Lease Payment Date" means the date upon which any Lease Payment is due and payable as provided in **Exhibit B**.

"Net Proceeds," when used with respect to proceeds of insurance or a condemnation award, means moneys received or receivable by the City, as owner or as lessee hereunder, or the Trustee, as lessee under the Ground Lease or as secured party, of the Site or the Facilities, less the cost of recovery (including attorneys' fees) of such moneys from the insuring company or the condemning authority.

"Official Statement" means any official statement utilized by the Original Purchaser (as defined in the Indenture) in connection with the sale of the Bonds.

"Owner" means the registered owner of any Outstanding Bond.

"Permitted Encumbrances" means, as of any particular time: (i) liens for taxes and assessments not then delinquent, or which the City may, pursuant to provisions of Section 6.3 hereof, permit to remain unpaid, (ii) the Ground Lease, this Lease, and amendments hereto or thereto, (iii) the EDA's and the Trustee's interest in the Facilities, (iv) any mechanic's, laborer's, materialmen's, supplier's or vendor's lien or right not filed or perfected in the manner prescribed by law, (v) such minor defects, irregularities, encumbrances, easements, rights-of-way and clouds on title as normally exist with respect to properties similar in character to the Site and which do not, in the opinion of Independent Counsel, materially impair the property affected thereby for the purpose for which it was intended, and (vi) easements, restrictions or encumbrances, if any, shown on **Exhibit A** hereto.

"Project Costs" means the costs defined in Section 4.03 of the Indenture.

"Purchase Price" means, with respect to any date, cash or obligations of or guaranteed by the United States of America maturing at such times and in such amounts as to provide for the full and timely payment of all interest and premium, if any, on and principal of the Outstanding Bonds to maturity or an earlier redemption date, if applicable. The City shall be entitled to credit against the Purchase Price the amount of any moneys then held by the Trustee under the Indenture and available for the payment of the Outstanding Bonds.

"Record Date" means the 15th day of the calendar month next preceding any Interest Payment Date, regardless whether such day is a Business Day.

"Series 2019B Bonds" means the $2,620,000 Economic Development Authority of Brooklyn Center, Minnesota Lease Revenue Bonds (Liquor Store Project), Series 2019B, originally issued pursuant to the Indenture.

"Site" means the real property described in **Exhibit A** hereto, including any property added to or substituted for any portion of the Site, and less any real property released from this

Lease pursuant to Article VI hereof. For the avoidance of doubt, the parties acknowledge and agree that the Site does not include the Excluded Portion.

"State and Federal Laws" means the Constitution and any law of the State and any ordinance, rule or regulation of any agency or political subdivision of the State; and any law of the United States, and any rule or regulation of any executive department or federal agency.

"Term" means the period during which this Lease may remain in effect as specified in Section 5.1.

"Trustee" means Zions Bancorporation, Chicago, Illinois, and its successors and assigns as Trustee under the Indenture.

Section 1.2. Exhibits. The following Exhibits are attached to and by reference made a part of this Lease:

Exhibit A: A legal description of the Site and Facilities being leased and purchased by the City pursuant to this Lease, and a listing of Permitted Encumbrances.

Exhibit B: The date and amount of each Lease Payment coming due during the Lease Term.

Exhibit C: The form of completion certificate to be delivered by the City to evidence the Completion Date.

Exhibit D: Depiction of Excluded Portion.

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ARTICLE II

Representations, Covenants and Warranties

Section 2.1. Representations, Covenants and Warranties of the City. The City represents, covenants and warrants as follows:

(a) The City is authorized under the Constitution, its home rule charter and laws of the State of Minnesota to enter into this Lease and the transactions contemplated hereby, and to perform all of its obligations hereunder.

(b) Neither the execution and delivery of this Lease, nor the fulfillment of or compliance with the terms and conditions thereof, nor the consummation of the transactions contemplated thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is now a party or by which the City is bound, constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the City, or upon the Site and the Facilities except Permitted Encumbrances.

(c) This Lease is entered into under authority of and pursuant to Minnesota Statutes, Section 465.71, as amended.

(d) The officers of the City executing this Lease have been duly authorized to do so.

(e) The City will not pledge, mortgage or assign this Lease, or its rights, duties and obligations hereunder to any other person, firm or corporation except as provided under the terms of this Lease.

(f) Subject to the City's rights under Section 5.6 hereof, the Facilities will be used until the Bonds have all been paid primarily to carry out the governmental or proprietary purposes of the City.

(g) Subject to the provisions of Section 5.6 hereof, the City administration will include in the annual budget of the City submitted to the City Council, for each Fiscal Year during the Lease Term, moneys sufficient to pay and for the purpose of paying all Lease Payments and Additional Lease Payments and other obligations of the City under this Lease, and for this purpose the City will make a reasonable estimate of Additional Lease Payments to become due in the next fiscal year, and will take all other actions necessary to provide moneys for the payment of the obligations of the City under this Lease from sources of the City lawfully available for this purpose.

(h) Except to the extent specifically provided herein, the City is not obligated to appropriate or otherwise provide moneys for the payment of the Lease Payments or

any other amounts coming due hereunder; and in the event of non-appropriation or non-renewal by the City, the City shall not be liable for general, special, incidental, consequential or other damages resulting therefrom. This Lease does not constitute a general obligation of the City, and the full faith and credit and taxing powers of the City are not pledged for the payment of the Lease Payments or other amounts coming due, or other actions required to be performed, hereunder.

(i) The City hereby declares its current need for the Facilities. The City has determined that the purchase price to be paid for the Facilities under this Lease represents the fair market value of the Facilities; that Lease Payments and Additional Lease Payments hereunder during the Lease Term represent the fair value of the use of the Facilities, and that the Purchase Price represents the fair purchase price of the Facilities. The City hereby determines that the Lease Payments and Additional Lease Payments do not exceed a reasonable amount so as to place the City under an economic compulsion to renew this Lease or to exercise its option to purchase the Facilities hereunder. In making such determinations the City has given consideration to the costs of the Facilities, the uses and purposes for which the Facilities will be employed by the City, the benefit to the City by reason of the acquisition of the Facilities pursuant to the terms and provisions of this Lease and the City's option to purchase the Facilities. The City hereby determines and declares that the acquisition of the Facilities and the leasing of the Facilities pursuant to this Lease will result in facilities of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition of the Facilities were performed by the City other than pursuant to this Lease. The City hereby determines and declares that the period during which the City has an option to purchase the Facilities (i.e., the Term of this Lease) does not exceed the useful life of the Facilities.

(j) The City acknowledges that regulations of the Comptroller of the Currency grant the City the right to receive brokerage confirmations of the security transactions as they occur. The City specifically waives such notification to the extent permitted by law and will receive periodic cash transaction statements that will detail all investment transactions.

(k) The City will use the Facilities during the Lease Term only to perform governmental functions of the City, and will not enter into any sublease, use agreement, management agreement or other contract which would cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to Section 141 of the Internal Revenue Code if the result would be that interest payable on the Bonds would become includable in gross income for federal income tax purposes.

(l) During the Term of the Lease, the City will not take or permit any of its officers to take any action with respect to the Lease or the Facilities which would cause interest on the Bonds to become includable in gross income of the recipient for federal income tax purposes under the Internal Revenue Code, and will take all actions necessary to ensure that interest on the Bonds remains excludable from gross income of the recipient under the Internal Revenue Code, insofar as it has the power and authority to take such actions.

(m) No officer of the City who is authorized to take part in any manner in making this Lease or any contract contemplated hereby has a personal financial interest in or has personally and financially benefited from this Lease or any such contract.

(n) There is not pending or overtly threatened any suit, action or proceeding against or affecting the City before or by any court, arbitrator, administrative agency or other governmental authority which materially and adversely affects the validity, as to the City, of this Lease, any of the obligations of the City hereunder or any of the transactions contemplated hereby.

(o) No event of nonappropriation or other financing lease termination has occurred in connection with any prior lease financing by the City.

(p) The obligation created by the Lease ($2,620,000), together with all other net debt of the City, does not cause the net debt of the City to exceed the limitation set forth in Minnesota Statutes, Section 475.53.

Section 2.2. Representations, Covenants and Warranties of the EDA. The EDA represents, covenants and warrants as follows:

(a) The EDA is a public body corporate and politic and political subdivision of the State of Minnesota; has power to enter into this Lease; is possessed of full power to own and hold real and personal property, and to sell the same; and has duly authorized the execution and delivery of this Lease.

(b) Neither the execution and delivery of this Lease, nor the fulfillment of or compliance with the terms and conditions thereof, nor the consummation of the transactions contemplated thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the EDA is now a party or by which the EDA is bound, constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the EDA, or upon the Site and the Facilities except Permitted Encumbrances.

(c) The execution and delivery of this Lease and the other agreements contemplated hereby to which the EDA is a party and the consummation of the transactions contemplated hereby and thereby and the fulfillment of the terms hereof and thereof will not conflict with, or constitute on the part of the EDA a breach of, or a default under, any existing (i) law, or (ii) provisions of any legislative act or other proceeding establishing or relating to the establishment of the EDA or its affairs or its resolutions, or (iii) agreement, indenture, mortgage, lease or other instrument to which the EDA is subject or is a party or by which it is bound.

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(d) No officer of the EDA who is authorized to take part in any manner in making this Lease or any contract contemplated hereby has a personal financial interest in or has personally and financially benefited from this Lease or any such contract.

(e) There is not pending or threatened any suit, action or proceeding against or affecting the EDA before or by any court, arbitrator, administrative agency or other governmental EDA which materially and adversely affects the validity, as to the EDA, of this Lease, any of the obligations of the EDA hereunder or any of the transactions contemplated hereby..

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ARTICLE III

Acquisition and Construction of Facilities; Payment of Project Costs

Section 3.1. Project Costs. The City has caused estimates of the Project Costs of the Facilities to be prepared, which estimates have been reviewed and approved by the EDA. Based on such estimates, the total Project Costs, when added to Costs of Issuance (as defined in the Indenture), are estimated to be not less than $2,620,000. In order to provide the moneys needed to pay the Project Costs when due, and in consideration of the actions agreed to be performed by the City under this Lease, the EDA has entered into the Indenture, pursuant to which the proceeds of sale of the Series 2019B Bonds in the amount of $_____ will be deposited in the Bond Fund and the Project Fund and applied as provided in the Indenture.

Section 3.2. Acquisition and Construction of Facilities; Payment of Cost.

(a) The EDA shall establish the Project Fund with the Trustee in accordance with the Indenture. A portion of the proceeds of the issuance and sale of the Bonds shall be deposited into the Project Fund, in accordance with the provisions of the Indenture.

(b) The EDA shall cause the Facilities to be completed with all reasonable dispatch. The EDA hereby appoints the City as its agent for the purpose of construction of the Facilities and the City may perform the same itself or through its agents, and may make or issue such contracts, orders, receipts and instructions, and in general do or cause to be done all such other things as it may consider requisite or advisable for the completion of the Facilities and for fulfilling its obligations under this Article. The City shall have full authority and the sole right under this Lease to supervise and control, directly or indirectly, all aspects of the construction of the Facilities.

The moneys on deposit in the Project Fund shall be applied by the Trustee as provided in this Section and as otherwise provided in Article IV of the Indenture. Until the moneys on deposit in the Project Fund are so applied, such moneys shall be subject to the lien of the Indenture, and the EDA and the City shall have no right, title or interest therein except as expressly provided in this Lease and the Indenture.

(c) Disbursements from the Project Fund are to be made to the City or to its order in accordance with the Indenture; provided that requests for disbursements with respect to Costs of Issuance shall be made in accordance with paragraph (f) of this Section.

(d) If the moneys in the Project Fund, together with any other moneys made available to pay the Project Costs, shall not be sufficient to pay the Project Costs in full, then the City shall pay all that portion of the Project Costs in excess of the moneys available therefor. If the City shall make any payments pursuant to this paragraph (d), it shall not be entitled to any reimbursement therefor from the EDA, the Trustee or the Owners of the Bonds, nor shall it be

entitled to any diminution in or postponement of the payment of the Lease Payments, the Additional Lease Payments or the payment of any other amounts payable under this Lease.

(e) The Completion Date shall be the date on which the Facilities are completed in their entirety and ready to be placed in service and all other property which constitutes the Facilities has been acquired and installed, all as determined by the City. Promptly after the Completion Date, the City shall submit to the EDA and the Trustee a certificate signed by an officer of the City, substantially in the form of **Exhibit C** hereto, which shall specify the Completion Date and shall state that construction and acquisition of the Facilities has been completed and the Project Costs have been paid, except for any portion thereof which has been incurred but is not then due and payable, or the liability for the payment of which is being contested or disputed by the City, and for the payment of which the Trustee is directed to retain specified amounts of moneys within the Project Fund. Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties which exist at the date thereof or which may subsequently come into being. The certificate as to the Completion Date shall include a list of the equipment financed with proceeds of the Series 2019B Bonds and included as part of the Facilities.

(f) The City shall be entitled to withdraw money from the Project Fund in payment of any item constituting a Cost of Issuance, by furnishing the Trustee a certificate and order to pay such costs, on or after the Closing Date. The City agrees that it will pay promptly all expenses constituting Costs of Issuance, whether or not reimbursed therefor from the Project Fund.

(g) The City shall. construct the building shell of an approximately ___ square foot commercial space to be constructed in the Excluded Portion of the building constituting the Facilities simultaneously with the construction of the Facilities and no portion of the Bonds or the Project Fund shall be used for the construction of the Excluded Portion.

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ARTICLE IV

Sale and Lease of Facilities

Section 4.1. Lease and Sale of Facilities. The EDA hereby leases and sells its leasehold interest in the Site and the Facilities to the City, and the City hereby leases and purchases the EDA's interest in the Site and the Facilities from the EDA, upon the terms and conditions set forth in this Lease. The sale shall be completed in accordance with the terms of Section 5.5 hereof.

The Site and the Facilities are leased and sold in their present condition without representation or warranty of any kind by the EDA, and subject to the rights of parties in possession, to the existing state of title, to all applicable legal requirements now or hereafter in effect, and to Permitted Encumbrances. The City has examined the Site and title thereto and has found all of the same to be satisfactory for the purposes of this Lease.

Section 4.2. Lease Payments.

(a) Subject to the provisions of Section 4.4, the City shall pay to the EDA Lease Payments at the times and in the manner specified in the attached **Exhibit B**. The Lease Payments shall be paid in lawful money of the United States of America, in same-day funds, directly to the Trustee, to whom the EDA has irrevocably assigned its rights to receive such Lease Payments pursuant to the Indenture, at its corporate trust office for the account of the City for deposit in the Bond Fund as provided in the Indenture. It is acknowledged that the Lease Payment to be made at least 5 business days prior to each February 1 or August 1 shall be applied by the Trustee to payment of the principal of and interest on the Bonds to be paid on the same date.

(b) The accrued interest on the Series 2019B Bonds initially deposited into the Bond Fund shall be applied as a credit against the first interest payment otherwise required to be paid by the City to the Trustee pursuant to (a) of this Section 4.2.

Section 4.3. Additional Lease Payments. During the Term of this Lease, the City shall pay or cause to be paid as Additional Lease Payments the following amounts:

(a) All fees, charges and expenses, including agent and counsel fees, of the Trustee and any Paying Agent incurred under the Indenture, as and when the same become due.

(b) All costs incident to the payment of the principal of, premium, if any, and interest on the Bonds as the same become due and payable, including redemption premiums, if any, and all other costs and expenses in connection with the call, redemption and payment of Bonds.

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(c) An amount sufficient to reimburse the EDA for all expenses reasonably incurred by the EDA hereunder and in connection with the performance of the EDA's obligations under this Lease or the Indenture.

(d) All expenses incurred in connection with the enforcement of any rights under this Lease or the Indenture by the EDA, the Trustee or the Owners of the Bonds.

(e) All payments required by the rebate covenants of Section 6.8(b), including without limitation any fees payable to consultants retained to analyze rebate requirements.

(f) All other payments of whatever nature which the City has agreed to pay or assume under the provisions of this Lease (including, without limitation, any amounts advanced under Section 6.2(b) hereof and interest thereon).

(g) All costs, charges, expenses and other amounts and obligations due and owing by the EDA under the Ground Lease, as and when the same become due.

Section 4.4. Source of Lease Payments. Notwithstanding any other provision of this Lease apparently to the contrary, this Lease shall not constitute a general obligation of the City, and the full faith and credit of the City are not pledged for the payment of the Lease Payments or the performance by the City of its obligations hereunder. The Lease Payments and Additional Lease Payments shall be paid, and other obligations of the City hereunder shall be met, solely from the amount appropriated by the City Council for such purpose in the City's annual budget and shall constitute a current expense of the City for the Fiscal Year then in effect. It shall not constitute an indebtedness of the City within the meaning of the Constitution and laws of the State of Minnesota (except the amount of the Lease shall be included in the calculation of net debt for purposes of Minnesota Statutes, Section 475.53, as provided in Minnesota Statutes, Section 465.71).

The other obligations of the City hereunder shall be met solely from one or more of the following: (a) Net Proceeds of insurance or self-insurance required to be maintained by the City under Article VII; (b) Net Proceeds of any condemnation award with respect to the Site and Facilities; and (c) moneys from time to time appropriated by the City Council for this purpose, provided that the City Council shall have no legal obligation to appropriate moneys for this purpose.

Section 4.5. City's Obligations and Remedies.

(a) Except as provided in Section 5.6 hereof, the City's obligation to pay Lease Payments due with respect to the Site and the Facilities, and to perform and observe all other covenants and agreements of the City contained herein, shall be absolute and unconditional; and the Lease Payments and Additional Lease Payments due and payable hereunder shall be made without notice or demand and without set-off, counterclaim, abatement, deduction or defense including, without limitation, any failure or delay by the EDA in the performance of any of its obligations hereunder, and irrespective of whether the Facilities shall have been started or

completed, or whether the City's or the EDA's title thereto or to any part thereof is defective or nonexistent, and notwithstanding any damage to, loss, theft or destruction of the Facilities or any part thereof, any failure of consideration, the taking by eminent domain of title to or of the right of temporary use of all or any part of the Facilities, legal curtailment of the City's use thereof, the eviction or constructive eviction of the City, any change in the tax or other laws of the United States of America, the State of Minnesota or any political subdivision thereof, any change in the EDA's legal organization or status, or any default of the EDA hereunder, and regardless of the invalidity of any action of the EDA, and regardless of the invalidity of any portion of this Lease.

(b) Notwithstanding any provision or covenant contained in this Lease, the Indenture or the Bonds, the City is not obligated to renew the Lease beyond any Fiscal Year from time to time in effect, nor is it obligated to budget or appropriate moneys or to pay Lease Payments or Additional Lease Payments beyond the end of the Fiscal Year in effect at a given time.

(c) Nothing in this Lease shall be construed to release the EDA from the performance of any agreement on its part herein contained or as a waiver by the City of any rights or claims which the City may have against the EDA under this Lease or otherwise, but any recovery upon such rights and claims shall be had from the EDA separately, it being the intent of this Lease that the City shall be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under this Lease during the Term of this Lease unless sooner terminated in accordance with section 5.2 hereof (including the obligation to make Lease Payments and Additional Lease Payments) for the benefit of the Owners of the Bonds. The City may, however, at its own cost and expense and in its own name or in the name of the EDA, prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to secure or protect its right of possession, occupancy and use hereunder, and in such event the EDA hereby agrees to cooperate fully with the City and to take all action necessary to effect the substitution of the City for the EDA in any such action or proceeding if the City shall so request.

Section 4.6. Possession and Enjoyment. The EDA hereby covenants to provide the City during the Term of this Lease with quiet use and enjoyment of the Site and Facilities, and the City shall during such Term peaceably and quietly have and hold and enjoy the Site and Facilities, without suit, trouble or hindrance from the EDA, except as expressly set forth in this Lease. At the request of the City and at the City's cost, the EDA will join in any legal action in which the City asserts its right to such possession and enjoyment to the extent the EDA may lawfully do so.

Section 4.7. EDA Access to Site and Facilities. The EDA and the Trustee shall have the right at all reasonable times to examine and inspect the Site and Facilities, and shall have such rights of access to the Site and Facilities as may be reasonably necessary to cause the proper maintenance thereof in the event of failure by the City to perform its obligations hereunder.

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ARTICLE V

Term of Lease;
Transfer or Surrender of Site and Facilities

Section 5.1. Lease Term. Subject to the provisions of Section 5.6, this Lease shall be in effect for a Term commencing upon the execution hereof and continuing until no Bonds remain Outstanding, or until terminated as provided in Section 5.2.

Section 5.2. Termination of Lease Term. The Term of this Lease will terminate prior to February 1, 2035 upon the occurrence of the first of the following events:

(a) non-appropriation by the City pursuant to Section 5.6 hereof;

(b) the payment by the City of the Purchase Price, pursuant to Section 8.1;

(c) the discharge by the City of its obligation to pay the Lease Payments and Additional Lease Payments required to be paid by it hereunder pursuant to Section 8.3; or

(d) a default by the City and the EDA's election to terminate this Lease pursuant to Article X.

Section 5.3. EDA's Interest in the Site and Facilities. Upon payment of all Lease Payments and Additional Lease Payments due hereunder, or upon prepayment of the Lease Payments and Additional Lease Payments or discharge of the City's obligation to make the Lease Payments and Additional Lease Payments in accordance with Article VIII hereof, and in either event, upon defeasance of the Bonds in accordance with Article X of the Indenture, full and unencumbered legal title to the Facilities shall pass to the City, and the EDA shall have no further interest therein. In such event the EDA and its officers shall take all actions necessary to authorize, execute and deliver to the City any and all documents necessary to vest in the City, all of the EDA's right, title and interest in and to the Site and Facilities, free and clear of all liens, leasehold interests, encumbrances (other than Permitted Encumbrances), including, if necessary, a release of any and all interests or liens created under the provisions of this Lease.

Section 5.4. Surrender of Site and Facilities. Upon termination of the Term of this Lease pursuant to Section 5.2, clause (a) or (d), or upon exercise by the EDA of its right to take possession of the Site and Facilities under Section 10.2, the City shall surrender the Site and Facilities to the EDA or the Trustee in the condition in which they were originally received from the EDA, except as repaired, rebuilt, restored, altered or added to as permitted or required hereby, ordinary wear and tear excepted. The City shall have the right to remove from the Site and Facilities at or prior to such termination or possession all personal property located therein which was not financed with moneys provided from the Project Fund, or which has not replaced personal property so financed, and which is not otherwise owned by the EDA, but the City shall repair any damages caused by such removal.

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Section 5.5. Purchase; Conveyance of Title. At any time when the Purchase Price, together with any unpaid or delinquent interest, has been fully paid or provided for, whether by (i) payment of all Lease Payments and Additional Lease Payments as provided in Section 5.1 hereof, or (ii) payment or provision for payment of the Purchase Price as provided in Article VIII hereof, then the purchase of the Site and the Facilities by the City shall be deemed to have been completed. The EDA shall thereupon deliver to the City such instruments of conveyance or release as, in the opinion of the City, may be necessary to release the interests of the EDA and the Trustee in the Site and Facilities.

Section 5.6. Non-Appropriation. If the City Council does not appropriate or budget moneys sufficient to pay the Lease Payments and reasonably estimated Additional Lease Payments coming due in the next Fiscal Year, as determined by the City's budget for the Fiscal Year in question, then the Term of this Lease shall terminate at the end of the then-current Fiscal Year. The City Council shall effect such non-appropriation by adoption of a resolution specifically referring to this Lease and determining (i) not to provide moneys for payments due hereunder in the next Fiscal Year and (ii) that the Lease shall terminate at the end of the then-current Fiscal Year, and the City shall give the EDA and the Trustee a written notice of such non-appropriation and shall pay to the EDA any Lease Payments and Additional Lease Payments which are due and have not been paid at or before the end of its then current Fiscal Year. The City shall endeavor to give as much notice of non-renewal as possible prior to the end of such Fiscal Year, but in any event the City shall not be required to give more than 90 days' notice, and the City shall notify the EDA and the Trustee of any anticipated termination. In the event of termination of this Lease as provided in this Section, the City shall surrender possession of the Site and Facilities to the EDA in accordance with Section 5.4 and convey to the EDA or release its interest in the Site and Facilities within 10 days after the expiration of the then-current term.

Section 5.7. Intent to Continue Term; Appropriations. The City presently intends to continue this Lease for its entire Term and to pay all Lease Payments specified in **Exhibit B** and Additional Lease Payments. The City reasonably believes that moneys in an amount sufficient to make all such Lease Payments and Additional Lease Payments can and will lawfully be appropriated or budgeted and made available.

Section 5.8. Effect of Termination. Upon termination of this Lease as provided in Section 5.6, the City shall not be responsible for the payment of any Lease Payments or Additional Lease Payments coming due with respect to succeeding Fiscal Years, but if the City has not delivered possession of the Site and Facilities to the EDA in accordance with Section 5.4 and conveyed to the EDA or released its interest in the Site and Facilities within 10 days after the termination date, the termination shall nevertheless be effective, but the City shall be responsible for the payment of damages in an amount equal to the amount of the Lease Payments thereafter coming due under **Exhibit B** and Additional Lease Payments which are attributable to the number of days during which the City fails to take such actions and for any other loss suffered by the EDA as a result of the City's failure to take such actions as required. The City shall be required to pay over to the Trustee any moneys which it has appropriated or budgeted for the purpose of paying obligations under this Lease for any Fiscal Years preceding the Fiscal Year for which non-renewal under Section 5.6 is effective.

ARTICLE VI

General Matters

Section 6.1. Use; Permits. The City shall exercise due care in the use, operation and maintenance of the Site and Facilities, and shall not use, operate or maintain the Site and Facilities improperly, carelessly, in violation of any State and Federal Law or for a purpose or in a manner contrary to that contemplated by this Lease. The City shall obtain or cause to be obtained all permits and licenses necessary for the operation, possession and use of the Site and Facilities. The City shall comply with all State and Federal Laws applicable to the operation, possession and use of the Site and Facilities, and if compliance with any such State and Federal Law requires changes or additions to be made to the Site and Facilities, such changes or additions shall be made by the City at its expense.

Section 6.2. Maintenance and Modification of Facilities by the City.

(a) During the Term of this Lease the City shall, at its own expense, maintain, preserve and keep the Site and Facilities in good repair, working order and condition, and shall from time to time make all repairs, replacements and improvements necessary to keep the Site and Facilities in such condition. The EDA shall have no responsibility for any of these repairs, replacements or improvements. In addition, the City shall, at its own expense, have the right to remodel the Facilities or to make additions, modifications and improvements thereto. All such additions, modifications and improvements shall thereafter comprise part of the Facilities and be subject to the provisions of this Lease. Such additions, modifications and improvements shall not in any way damage the Facilities; and the Facilities, upon completion of any additions, modifications and improvements made pursuant to this Section, shall be of a value not less than the value of the Facilities immediately prior to the making of such additions, modifications and improvements. Any property for which a substitution or replacement is made pursuant to this Section may be disposed of by the City in such manner and on such terms as are determined by the City. The City will not permit any mechanic's or other lien to be established or remain against the Site and Facilities for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the City pursuant to this Section; provided that if any such lien is established and the City shall first notify the EDA and the Trustee of the City's intention to do so, the City may in good faith contest any lien filed or established against the Site and Facilities, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom unless the EDA or the Trustee shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such item the interest of the EDA in the Site and Facilities will be materially endangered or the Site and Facilities or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay and cause to be satisfied and discharged all such unpaid items or provide the EDA and the Trustee with full security against any such loss or forfeiture, in form satisfactory to the EDA and the Trustee. The EDA will cooperate fully with the City in any such contest, upon the request and at the expense of the City.

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(b) In the event the EDA becomes aware of any condition on the Site or in the Facilities which, in the reasonable opinion of the EDA, creates a risk to the health and safety of any users of the Facilities or creates a risk of significant deterioration of the Facilities if not corrected, the EDA may, but shall be under no obligation to, notify the City of such condition and request that it be cured as promptly as is reasonably possible. In the event the City does not promptly cure such condition, the EDA may, but shall be under no obligation to, take reasonable steps to correct such condition. In such event, the cost to the EDA and interest thereon at the highest rate specified in any Bond until paid will be charged to the City as an Additional Lease Payment.

Section 6.3. Taxes, Other Governmental Charges and Utility Charges. During the Term of this Lease the City shall also pay or cause to be paid when due all gas, water, steam, electricity, heat, power and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Site and the Facilities. The City shall also pay all property and excise taxes and governmental charges of any kind whatsoever which may at any time be lawfully assessed or levied against or with respect to the Site and the Facilities or any part thereof or the Lease Payments, and which become due during the Term of this Lease with respect thereto; and all special assessments and charges lawfully made by any governmental body for public improvements that may be secured by a lien on the Site and Facilities; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are required to be paid during the Term of this Lease as and when the same become due. The City shall not be required to pay any federal, state or local income, inheritance, estate, succession, transfer, gift, franchise, gross receipts, profit, excess profit, capital stock, corporate, or other similar tax payable by the EDA, its successors or assigns, unless such tax is made in lieu of or as a substitute for any real estate or other tax upon property.

The City may, at the City's expense and in the City's name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the EDA or the Trustee shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such items the interest of the EDA in the Site and Facilities will be materially endangered or the Site, the Facilities or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay such taxes, assessments or charges or provide the EDA and the Trustee with full security against any loss which may result from nonpayment, in form satisfactory to the EDA and the Trustee.

Section 6.4. Liens. The City shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Site or the Facilities, except the respective rights of the EDA and the City as herein provided and Permitted Encumbrances. Except as expressly provided in this Article, the City shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim if the same shall arise at any time. The City shall reimburse the EDA for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

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Section 6.5. Easements. The EDA will from time to time, at the request of the City and at the City's cost and expense, cooperate and join with the City: (a) in granting easements and other rights in the nature of easements, releasing existing easements or other rights in nature of easements which (1) are for the benefit of the Site or the Facilities or (2) are necessary for the construction, maintenance or access to or egress from the Excluded Portion for the benefit of the City or its successors in interest to the Excluded Portion which the City certifies are not detrimental to the proper conduct of the operations of the City on or in the Site or the Facilities; (b) in executing amendments to any covenants and restrictions affecting the Site or the Facilities; (c) in executing and delivering to any person any instrument appropriate (i) to confirm or to the effect that such grant, release or execution is not detrimental to the proper conduct of the operations of the City on or in the Site or the Facilities, (ii) to show the consideration, if any, being paid for such grant, release or amendment, (iii) to show that such grant, release, dedication, transfer, petition or amendment does not materially impair the use of the Site or the Facilities or reduce the value of the Site or the Facilities, or (iv) to confirm that the City will remain obligated hereunder to the same extent as if such grant, release, or amendment had not been made, and the City will perform all obligations under such instrument. The consideration, if any, received by the EDA or the City for such grant, release, or amendment shall be paid to the Trustee and deposited in the Bond Fund.

Section 6.6. Addition and Substitution of Land. The EDA and the City agree to add to the Ground Lease and this Lease certain additional interests in land, and to release from the Ground Lease and this Lease certain portions of the Site, and to substitute other interests in real property for some or all of the portions of the Site so released, but only upon the conditions hereinafter set forth:

(1) The City may, from time to time, add additional real property to the Site subject to the Ground Lease and this Lease if (i) the additional real property is to be the site of a portion of the Improvements, and (ii) the City provides the Trustee with a legal description of the Site covering the additional real property.

(2) The City may, from time to time and with the prior written consent of the Trustee and the EDA, obtain the release of a portion of the Site as now described, if (i) the City certifies that such portion of the Site is not reasonably necessary for the construction of the Facilities and (ii) the unreleased portion of the site is not impaired by such release with respect to ingress and egress, access to dedicated roads and use of the unreleased portion of the site for its then current or intended purposes.

(3) To accomplish the addition, release or substitution of real property as described in paragraph (1) or (2), the City shall prepare and furnish to the Trustee and the EDA amendments or supplements to this Lease, the Indenture, the Ground Lease and any UCC Financing Statements filed in connection with this Lease. The City shall pay all expenses, including attorney's fees, incurred in accomplishing any such addition, release or substitution.

Section 6.7. Compliance with Indenture. During the Term of this Lease, the City agrees to perform all obligations imposed upon the EDA or the City by the Indenture.

Section 6.8. Tax Covenants.

(a) The City covenants and agrees with the EDA for the benefit of the Owners from time to time of the Bonds that it will take, and will cause its officers, employees or agents to take, all actions necessary to comply with the applicable provisions of the Internal Revenue Code, and that it will not take or permit to be taken by any of its officers, employees or agents any actions that would cause the interest on the Bonds to become subject to federal income taxation under the applicable provisions of the Internal Revenue Code.

(b) The City shall take such actions and make all calculations, transfers and payments that may be necessary to comply with the rebate requirements contained in Section 148(f) of the Internal Revenue Code. The City will compute the rebate requirement and make rebate payments in accordance with law. The City will use any funds legally available to make any required rebate payment.

(c) None of the proceeds of the Bonds will be used, directly or indirectly, to replace funds which were used in any business carried on by any person other than a state or local governmental unit.

(d) The payment of the Lease Payments will not be (A) directly or indirectly secured by any interest in (i) property used or to be used for a private business use by any person other than a state or local governmental unit or (ii) payments in respect of such property, or (B) directly or indirectly derived from payments (whether or not by or to the EDA or the City), in respect of property or borrowed money, used or to be used for a private business use by any person other than a state or local governmental unit.

(e) None of the proceeds of the Bonds will be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(f) Except as provided below, no user of the Facilities or other property financed with proceeds of the Bonds will use the Facilities or such other property in a trade or business on any basis other than the same basis as the general public; and no person other than a state or local governmental unit will be a user of the Facilities or such other property in a trade or business as a result of (i) ownership, or (ii) actual or beneficial use pursuant to a lease or a management or incentive payment contract, or (iii) joint venture or any other similar arrangement. Notwithstanding the foregoing, the City may permit up to 10% of the useable square footage of the Facilities to be used in the trade or business of a person other than a governmental unit.

Section 6.9. Financial Statements. The City shall provide the Trustee as soon as they are available, annual audited financial statements of the City. The Trustee shall have no duty to review, verify or analyze any financial statements delivered to it hereunder and shall hold such financial statements solely as a repository for the benefit of the Owners. The Trustee shall not be deemed to have notice of any information contained therein or Event of Default which may be disclosed therein in any manner.

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Section 6.10. UCC Covenants.

(a) The City shall inform the Trustee in writing within 10 days of any change, amendment, or modification of its place of organization, form of organization, or change in City's name (including, but not by way of limitation, resulting from mergers, acquisitions, tax free exchanges, or other transactions) (all of which are sometimes referred to as "Corporate Changes," regardless of whether the City is organized as a corporation, partnership, limited partnership, limited liability company, limited liability partnership, sole proprietorship, or other form of entity recognized under the law of the state in which the City is organized), and the City shall prepare, execute and record as soon as reasonably practicable any and all amendments to UCC financing statements required to insure that the security interest of the Trustee in any and all collateral of the City remains fully perfected. The City shall be responsible for filing any UCC financing statements necessary in connection with the closing on the Bonds and any continuation statements necessary in connection therewith.

The City shall provide the Trustee with copies of any Debtor Termination Statement (as such term is defined below) the City files in violation of the covenant contained in this document at Section 6.10(b).

(b) The City shall not file or record any instrument or document with any entity, officer or office having responsibility for recording of security interests which purports to terminate, vitiate or extinguish a security interest in the collateral in which the Trustee holds a security interest. (A "Debtor Termination Statement").

(c) The Trustee is a third-party beneficiary of all covenants made by the City under this Section.

Section 6.11. Continuing Disclosure Certificate. Upon issuance of the Bonds, the City will execute the Continuing Disclosure Certificate and will carry out the City's undertakings described therein for the benefit of the EDA, the Participating Underwriters (as defined herein), and the Owners.

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ARTICLE VII

Insurance and Indemnification; Damage, Destruction and Condemnation

Section 7.1. Liability Insurance. During the Term of this Lease the City shall procure and maintain continuously in effect with respect to the Site and Facilities, insurance against liability for injuries to or death of any person or damage to or loss of property arising out of or in any way relating to the maintenance, use or operation of the Site, the Facilities or any part thereof, in amounts not less than the City's tort liability limits under Minnesota Statutes, Chapter 466 for death of or personal injury to any one person, in amounts not less than the City's tort liability limits under Minnesota Statutes, Chapter 466 for all personal injuries and deaths arising out of any one occurrence, and in amounts not less than the City's tort liability limits under Minnesota Statutes, Chapter 466 for property damage arising out of any one occurrence. The Net Proceeds of all such insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the insurance proceeds may be paid. It is understood that with respect to persons or entities other than the EDA, this insurance covers any and all liability of the City and its officers, employees and agents. As an alternative to the purchase of liability insurance, the City may self-insure against such liabilities in accordance with the provisions of applicable law. Policies of commercial insurance may include deductibles of no more than 10% of policy amounts.

Section 7.2. Property Insurance. During the Term of this Lease, the City shall procure and maintain continuously in effect, to the extent of the full replacement value of the Facilities, other than building foundations, insurance against loss from or damage by vandalism and fire, with a uniform standard extended coverage endorsement limited only as may be provided in the standard form of extended coverage endorsement at the time in use in the State of Minnesota, in such amount as will be at least sufficient so that a claim may be made for the full replacement cost of any part thereof damaged or destroyed. All policies (or endorsements or riders) evidencing insurance required in this Section shall be carried in the names of the City, the EDA and the Trustee as their respective interests may appear. The Net Proceeds of Insurance required by this Section shall be applied as provided in this Article VII.

Section 7.3. Administration of Claims, Etc. Neither the City, the EDA nor the Trustee shall be required to prosecute any claim against or contest any settlement proposed by any insurer, but any of them may prosecute any such claim or contest any such settlement. In the event of a contest by the City, it shall be at the City's expense, and the City may bring such claim or contest in the name of the EDA, the City or both, and the EDA will join therein at the City's written request upon the receipt by the EDA of an indemnity from the City against all costs, liabilities and expenses in connection with such claim or contest.

Section 7.4. Other Insurance and Requirements for All Insurance. All insurance required by this Article may be carried under a separate policy or a rider or endorsement; shall be taken out and maintained with responsible insurance companies organized under the laws of one of the states of the United States and qualified to do business in the State of Minnesota; shall contain a

provision that the insurer shall not cancel or revise coverage thereunder without giving written notice to the City and the Trustee at least 30 days before the cancellation or revision becomes effective; and shall name the City, the EDA and the Trustee as insured parties. The insurance required by Sections 7.1 and 7.2 hereof may be provided by the City pursuant to an umbrella policy which provides coverage for the amounts and the insurable incidents provided in such Sections. Annually, the City shall provide to the Trustee a certificate from an insurance consultant stating that all insurance required by this Article VII is in effect and complies with the requirements of this Article VII.

Section 7.5. Indemnification. As between the EDA and the City, to the extent permitted by the laws of the State of Minnesota, the City assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Facilities and for injury to or death of any person or damage to any property, whether such injury or death be with respect to agents or employees of the City, the EDA or of third parties, and whether such property damage be to the City or the EDA's property or the property of others, which is proximately caused by the negligent conduct of the City, its officers, employees, agents and lessees, or arising out of the operation, maintenance or use of the Site and the Facilities by the City, its officers, employees, agents and lessees. The City hereby assumes responsibility for and agrees to reimburse the EDA for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorney's fees) of whatsoever kind and nature, imposed on, incurred by or asserted against the EDA or its officers or employees that in any way relate to or arise out of a claim, suit or proceeding based in whole or in part on the foregoing, to the maximum extent permitted by law.

To the extent permitted by the laws of the State of Minnesota, the City shall indemnify, defend, protect and hold the Trustee harmless from and against any and all losses, liability, damages, costs or expenses that the Trustee may suffer or incur arising out of or in connection with the acceptance or administration of the Indenture or the trusts thereunder or the performance of its duties thereunder or under this Lease or the Ground Lease (unless such liability is adjudicated to have resulted from the negligence or willful misconduct of the Trustee). The indemnification obligations of the City hereunder shall survive the termination of this Indenture, the Lease and the Ground Lease, the payment in full of the Bonds, and the resignation or removal of the Trustee. Nothing in this section will be construed to limit or affect any limitations on liability of the City or EDA under State or federal law, including without limitation Minnesota Statutes, Sections 466.04 and 604.02.

Section 7.6. Hazardous Substance Indemnification. The City agrees, to the extent permitted by the laws of the State of Minnesota, to defend, indemnify and hold harmless the EDA and the Trustee, their officers, employees, agents, successors and assigns (the "Indemnitees") from and against, and shall reimburse the Indemnitees for, any and all loss, claim, liability, damage, judgment, penalty, injunctive relief, injury to personal property or natural resources, cost, expense, action or cause of action arising in connection with or as the result of any past, present or future existence, use, handling, storage, transportation, manufacture, release or disposal of any Hazardous Substance in, on or under the land upon which the Project is located, whether foreseeable or unforeseeable, regardless of the source, the time of occurrence or the time of discovery (collectively referred to as "Loss"). This indemnification against Loss

includes, without limitation, indemnification against all costs in law or in equity or removal, response, investigation, or remediation of any kind, and disposal of such Hazardous Substances, all costs of determining whether the land upon which the Project is located, is in compliance with, and of causing the land upon which the Project is located, to be in compliance with, all applicable Environmental Laws, all costs associated with claims for damages to persons, property, or natural resources, and the Indemnitees' reasonable attorneys' and consultants' fees, court costs and expenses incurred in connection with any of the above. For this purpose "Hazardous Substance" shall be defined as any substance, the presence of which requires investigation, permitting, control or remediation under any federal, state or local statute, regulation, ordinance or order, including without limitation:

(a) any substance defined as "hazardous waste" under the Resource Conservation and Recovery Act, as amended (42 U.S.C. §6901, et seq.);

(b) any substance defined as a "hazardous substance" under the Comprehensive Environmental Response, Compensation and Liability Act, as amended (42 U.S.C. §9601, et seq.);

(c) any substance defined as a "hazardous material" under the Hazardous Materials Transportation Act (49 U.S.C. §1800, et seq.);

(d) any substance defined under any Minnesota statute analogous to (a), (b) or (c), to the extent that said statute defines any term more expansively;

(e) asbestos:

(f) urea formaldehyde;

(g) polychlorinated biphenyls;

(h) petroleum, or any distillate or fraction thereof;

(i) any hazardous or toxic substance designated pursuant to the laws of the State of Minnesota; and

(j) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority.

The indemnification obligations of the City hereunder shall survive the termination of the Indenture, this Lease and the Ground Lease, the payment in full of the Bonds, and the resignation or removal of the Trustee.

Section 7.7. Damage, Destruction and Condemnation. If the Facilities or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty or title to or the temporary use of the Facilities or any part thereof, or the interest of the City or the EDA in the Site or the Facilities or any part thereof is taken under the exercise of the power of eminent

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domain by any governmental body or by any person, firm or corporation acting under governmental authority, the City shall have the rights with respect to the Net Proceeds of any insurance or condemnation award specified in this Section, but the City shall be obligated to continue to pay the Lease Payments and Additional Lease Payments due with respect to the Facilities. All Net Proceeds shall be applied to the prompt repair, restoration, modification, improvement or replacement of the Site and the Facilities by the City, or, if the City elects not to repair or rebuild, all Net Proceeds shall be applied to prepay the Lease Payments and Additional Lease Payments; in either event all Net Proceeds not needed for the purpose shall belong to the City. In the event Net Proceeds exceed $100,000, they shall be held by the Trustee and disbursed in payment of costs of repair, restoration, modification, improvement or replacement substantially in accordance with the procedure for disbursement of Bond proceeds from the Project Fund in Article IV of the Indenture.

Section 7.8. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification, improvement or replacement of the Site and the Facilities, the City shall either: (a) complete the work and pay any cost in excess of the amount of the Net Proceeds, and the City agrees that if by reason of any such insufficiency of the Net Proceeds, the City shall make any payments pursuant to the provisions of this Section 7.8, the City shall not be entitled to any reimbursement therefor from the EDA nor shall the City be entitled to any diminution of the Lease Payments or Additional Lease Payments due with respect to the Facilities; or (b) prepay the Lease Payments and Additional Lease Payments, in which event the Net Proceeds shall be used for this purpose. If the City elects not to repair, rebuild or restore, the City shall prepay or discharge the Lease Payments and Additional Lease Payments to the full extent of the Net Proceeds.

Section 7.9. Cooperation of EDA. The EDA shall cooperate fully with the City at the expense of the City in filing any proof of loss with respect to any insurance policy covering the casualties described in Section 7.7 hereof and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Site or the Facilities or any part thereof and will, to the extent it may lawfully do so, permit the City to litigate in any proceeding resulting therefrom in the name of and on behalf of the EDA. In no event will the EDA voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim or any prospective or pending condemnation proceeding with respect to the Site or the Facilities or any part thereof without the written consent of the City and the Trustee.

Section 7.10. Condemnation of Other Property Owned by the City. The City shall be entitled to the Net Proceeds of any condemnation award or portion thereof made for destruction of, damage to or taking of its property not included in the Site or Facilities.

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ARTICLE VIII

Option to Purchase; Option to Prepay

Section 8.1. Option to Purchase or Prepay. The City shall have the option at any time to purchase the Site, the Facilities and any other Improvements by payment to the Trustee of the Purchase Price then applicable, or to prepay unpaid Lease Payments and Additional Lease Payments, in whole or in part.

Section 8.2. Exercise of Option. The City shall give notice to the EDA of its intention to exercise its purchase or prepayment option not less than 45 days in advance of the date of prepayment or purchase, and shall pay to the EDA on the date of prepayment or purchase the prepayment amount or (in the event of a purchase) an amount equal to the then current Purchase Price, less any Net Proceeds to be applied to the amount to be so paid in accordance with Section 7.8.

Section 8.3. Provision for Payment of Purchase Price; Discharge of City's Obligation. The City may at any time provide for the payment of the Purchase Price or discharge its obligation to pay Lease Payments due under this Lease by depositing irrevocably in escrow with a bank or trust company, cash or direct obligations of the United States, bearing interest payable at such times and at such rates and maturing on such dates, but not callable prior thereto, as shall be required to provide moneys sufficient to pay or prepay all unpaid Lease Payments and the applicable redemption premium, if any, on the Outstanding Bonds, on the dates when they are due or subject to prepayment as provided in Section 8.1, as determined by the City, together with (i) computations and an opinion letter of a certified public accounting firm showing and attesting to the sufficiency of such moneys and securities for this purpose, (ii) an opinion letter of Bond Counsel stating that the deposit of such cash or securities will not cause the Bonds to become "arbitrage bonds" under Section 148 of the Internal Revenue Code, and (iii) an opinion letter of Independent Counsel who is nationally recognized bankruptcy counsel that payment of principal and interest on the Bonds with such moneys or securities will not constitute a voidable preference under the provisions of 11 U.S.C. §544 or 547.

Section 8.4. Prerequisite; No Default. The City may exercise the rights specified in Sections 8.1, 8.2, and 8.3 only if it is not in default under this Lease.

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ARTICLE IX

Assignment, Subleasing, Indemnification, Mortgaging and Selling

Section 9.1. Assignment by EDA. Except as expressly provided in this Section, the EDA's rights and obligations under this Lease, including the right to receive and enforce payment of the Lease Payments and Additional Lease Payments to be made by the City under this Lease and its interest in the Site and the Facilities, shall not be assigned, pledged, mortgaged or transferred, in whole or in part, except to the Trustee pursuant to the Indenture. The City hereby approves the assignment made by the EDA to the Trustee under the Indenture of its interest in the Site, the Facilities, the Ground Lease, this Lease and the Lease Payments to become due hereunder.

Section 9.2. Assignment and Subleasing by the City. The rights and obligations of the City under this Lease may not be assigned by the City without the written consent of the EDA and the Trustee. The City may sublease the Project, or any portion thereof, to any other entity, provided that the City furnishes to the EDA and the Trustee an Opinion of Counsel, who is nationally recognized bond counsel, that such sublease will not adversely affect the validity of the Outstanding Bonds or the exemption of the interest thereon from federal income taxation. The EDA acknowledges that the City intends to enter into a sublease or other arrangement with Hennepin County, Minnesota for the use of a portion of the Facilities as a library facility during all or a portion of the Term of this Lease.

Section 9.3. Restriction on Mortgage or Sale of Project by the City. Except as otherwise provided herein, without the prior written consent of the EDA and the Trustee, the City will not mortgage, sell, assign, transfer or convey the Site or the Facilities or any portion thereof during the Term of this Lease.

Section 9.4. Assignment, Subleasing, Mortgaging and Selling of Excluded Property. Nothing in this Agreement shall prohibit the City from assigning, subleasing, mortgaging, selling of or otherwise using the Excluded Property in its sole discretion.

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ARTICLE X

Events of Default and Remedies

Section 10.1. Events of Default Defined. Any one or more of the following events shall be an "Event of Default" under this Lease:

(a) Failure by the City to pay any Lease Payment, Additional Lease Payment, or other payment required to be paid hereunder at the time and from the sources specified herein.

(b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in clause (a) of this Section, for a period of 60 days after written notice specifying such failure and requesting that it be remedied has been given to the City by the EDA or the Trustee,; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, such failure shall not constitute an Event of Default if corrective action is instituted by the City within the applicable period and diligently pursued and the default is corrected within 270 days of such notice.

(c) The occurrence of any of the following events:

(i) The City shall (a) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee, liquidator or the like of the City or of all or a substantial part of its property, (b) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), or (c) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts; or

(ii) A proceeding or case shall be commenced, without the application or consent of the City, as the case may be, in any court of competent jurisdiction, seeking (a) the liquidation, reorganization, dissolution, winding-up, or the composition or adjustment of debts, of the City, (b) the appointment of a trustee, receiver, custodian, liquidator or the like of the City, or (c) similar relief in respect of the City under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, and such proceeding or case has not been dismissed within 60 days of the filing thereof.

The provisions of Section 10.1(b) are subject to the following limitation: if by reason of force majeure either party is unable in whole or in part to carry out its obligations under this Lease, it shall not be deemed in default during the continuance of such inability or during any other delays which are a direct consequence of the force majeure inability, and the time for such performance shall be extended to cover such delays. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the

United States of America or any of its departments, agencies or officials, or any civil or military authority, or the State of Minnesota or any of its departments, agencies or officials; insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of a party and not resulting from its negligence. Each party agrees, however, to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its agreements.

Section 10.2. Remedies on Default. Whenever any Event of Default shall have happened and be continuing, the Trustee may take, but only upon not less than 5 days' written notice to the City, one or any combination of the following remedial steps:

(a) Without terminating this Lease, re-enter and take possession of the Site and the Facilities and exclude the City from using it until the Event of Default is cured; or

(b) Subject to the provisions of Section 5.6, take any action at law or in equity which may appear necessary or desirable to: (i) collect the Lease Payments and Additional Lease Payments then due for the Fiscal Year then in effect, (ii) collect any Lease Payments and Additional Lease Payments to become due and payable during the current Fiscal Year, or (iii) enforce performance and observance of any obligation, agreement or covenant of the City under this Lease; or

(c) Terminate the Term of this Lease, exclude the City from possession of the Facilities, and use its best efforts to lease the Facilities to another for the account of the City, holding the City liable for the difference between the rentals received and the Lease Payments and Additional Lease Payments which would have been receivable hereunder for the Fiscal Year then in effect.

This provision does not limit any other remedies which the Trustee or the EDA may have under the Indenture or any other document.

Section 10.3. Delay; Notice. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle any party to exercise any remedy reserved to it in this Lease it shall not be necessary to give any notice, other than such notice as may be required in this Lease.

Section 10.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the EDA is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 10.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Lease is breached by either party and thereafter waived by the other party, such

waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

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ARTICLE XI

Administrative Provisions

Section 11.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or deposited in the United States mail in certified or registered form with postage fully prepaid:

If to the City:	City of Brooklyn Center City Hall 6301 Shingle Creek Parkway Brooklyn Center, MN 55430 Attn: City Manager
If to the EDA:	Economic Development Authority for the City of Brooklyn Center, Minnesota City Hall 6301 Shingle Creek Parkway Brooklyn Center, MN 55430 Attention: Executive Director
If to the Trustee:	Zions Bancorporation 111 W. Washington Street, Suite 1860 Chicago, IL 60602 Attention: _____

The above-named persons, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 11.2. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the EDA and the City and their respective successors and assigns.

Section 11.3. Severability. In the event any provision of this Lease shall be held invalid or unenforceable by any court or competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.4. Amendments, Changes and Modifications. This Lease may be amended or any of its terms modified only by written amendment authorized and executed by the City and the EDA and in accordance with the terms of the Indenture.

Section 11.5. Further Assurances and Corrective Instruments. The EDA and the City agree that they will, if necessary, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may be necessary for correcting any inadequate or incorrect description of the Site and the Facilities or for carrying out the expressed intention of this Lease.

DRAFT

Section 11.6. Execution in Counterparts. This Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7. Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State of Minnesota

Section 11.8. Authorized Officers. Whenever under the provisions of this Lease the approval of the EDA or the City is required, or the EDA or the City is required to take some action at the request of the other, such approval of such request shall be given for the EDA or for the City by an Authorized Officer, and any party hereto shall be authorized to rely upon any such approval or request.

Section 11.9. Captions. The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Lease.

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IN WITNESS WHEREOF, the EDA has caused this Lease to be executed in its corporate name by its duly authorized officers; and the City has caused this Lease to be executed in its name by its duly authorized officers and sealed with its corporate seal, as of the date first above written.

ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA

By _____
Its President

By _____
Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by _____ and _____, the President and Executive, respectively, of the Economic Development Authority of Brooklyn Center, Minnesota, a body corporate and politic organized and existing under the Constitution and laws of the State of Minnesota and political subdivision of the State of Minnesota, on behalf of said political subdivision.

_____
Notary Public

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CITY OF BROOKLYN CENTER, MINNESOTA

By _____
Its Mayor

By _____
Its City Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by _____ and _____, the Mayor and City Manager, respectively, of the City of Brooklyn Center, Minnesota, a home rule charter city and political subdivision of the State of Minnesota, on behalf of said political subdivision.

_____
Notary Public

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EXHIBIT A

Description of Site and Facilities

The legal description of the Site is as follows:

Lot 5, Block 1, Shingle Creek Crossing 5th Addition, County of Hennepin, State of Minnesota

Excluding:

[insert metes and bounds description of Excluded Portion]

Permitted Encumbrances include the following:

[identify cross easements for Excluded Portion]

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EXHIBIT B

Schedule of Lease Payments

Lease Payment Due Date Five Business Days Prior To:	Amount
August 1, 2020	$
February 1, 2021	
August 1, 2021	
February 1, 2022	
August 1, 2022	
February 1, 2023	
August 1, 2023	
February 1, 2024	
August 1, 2024	
February 1, 2025	
August 1, 2025	
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August 1, 2031	
February 1, 2032	
August 1, 2032	
February 1, 2033	
August 1, 2033	
February 1, 2034	
August 1, 2034	
February 1, 2035	

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EXHIBIT C

COMPLETION CERTIFICATE

The undersigned officer of the City of Brooklyn Center, Minnesota (the "City"), lessee under that certain Lease-Purchase Agreement dated as of September 1, 2019 (the "Lease"), between the Economic Development Authority of Brooklyn Center, Minnesota (the "EDA") and the City, hereby certifies to the EDA, to Zions Bancorporation, Chicago, Illinois (the "Trustee") as Trustee under a Trust Indenture dated as of September 1, 2019 (the "Indenture") between the EDA and the Trustee, that as of _____, 20__ (the "Completion Date"), the Facilities described in the Lease have been completed in their entirety and are ready to be placed in service and all other property which constitutes the Facilities has been acquired and installed. Construction and acquisition of the Facilities have been completed and the Project Costs have been paid, except for any portion thereof which has been incurred but is not now due and payable, or the liability for the payment of which is being contested or disputed by the City, and for the payment of which the Trustee has been directed to retain specified amounts of moneys within the Project Fund. Notwithstanding the foregoing, this certificate is given without prejudice to any rights against third parties which exist at the date hereof or which may subsequently come into being. Attached as **Exhibit A** to this certificate is a list of the equipment financed with proceeds of the Series 2019B Bonds and included as part of the Facilities. Capitalized terms used in this certificate and defined in the Lease or the Indenture are used with the meanings given therein.

CITY OF BROOKLYN CENTER, MINNESOTA

By _____
Its _____

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Exhibit A to Certificate of Completion
List of equipment financed with Series 2019B Bond proceeds and included as part of the Facilities

DRAFT

EXHIBIT D

Depiction of Excluded Portion

DRAFT

$2,620,000
ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA
LEASE REVENUE BONDS (LIQUOR STORE PROJECT), SERIES 2019B

TRUST INDENTURE

Dated as of September 1, 2019

ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA

to

ZIONS BANCORPORATION
as Trustee

DRAFT

This instrument was drafted by

Kennedy & Graven, Chartered (JSB)
200 South Sixth Street
470 U.S. Bank Plaza
200 South Sixth
Minneapolis, MN 55402

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Exhibit A Draw Request No. ____
Exhibit B Form of Series 2019B Bond

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TRUST INDENTURE

This TRUST INDENTURE, dated as of the 1st day of September, 2019, by and between the ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA, a public body corporate and politic and political subdivision of the State of Minnesota (the "EDA"), and ZIONS BANCORPORATION, a national banking association with trust powers having a designated corporate trust office and place of business in the City of Chicago, Illinois (the "Trustee");

WITNESSETH:

WHEREAS, the EDA is a duly organized and existing political subdivision under the laws of Minnesota, and the EDA has authority to enter into and perform its obligations under this Indenture pursuant to Minnesota Statutes, Section 465.71, Sections 469.001 to 469.047, Sections 469.090 to 469.1082, Chapter 471, and Chapter 475, as amended, as amended, (herein called the "Act"); and

WHEREAS, pursuant to Minnesota Statutes, Sections 469.091, Subdivision 1, the EDA has the powers of a housing and redevelopment authority under Minnesota Statutes, Sections 469.001 to 469.047; and

WHEREAS, pursuant to a Ground Lease dated as of September 1, 2019 (the "Ground Lease"), the EDA has leased certain land in the City of Brooklyn Center, Minnesota (the "Site") from the City of Brooklyn Center, Minnesota (the "City"); and

WHEREAS, the EDA has agreed to enter into a Lease-Purchase Agreement dated as of September 1, 2019 (the "Lease"), whereby the EDA will lease to the City, with option to purchase, the Site and facilities to be constructed thereon (the "Facilities"); and

WHEREAS, under the Act, the EDA is authorized to issue and sell revenue bonds to finance the construction of the Facilities and related costs and to assign certain of its interests in the Ground Lease and the Lease as security therefor; and

WHEREAS, pursuant to a resolution of the Board of Commissioners of the EDA adopted on August 12, 2019 (the "Bond Resolution"), the EDA has duly authorized and directed the issuance of a series of revenue bonds in the aggregate principal amount of $2,620,000 to be designated "Lease Revenue Bonds (Liquor Store Project), Series 2019B" (the "Series 2019B Bonds"), as in this Indenture provided; and

WHEREAS, under the Lease, the City is required, subject to its right to determine not to appropriate Lease Payments and to terminate the Lease, to make Lease Payments in amounts and at times sufficient to pay the principal of, premium (if any) and interest on the Series 2019B Bonds and any Additional Bonds when due; and

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WHEREAS, the execution and delivery of the Ground Lease, the Lease and this Indenture and the issuance of the Series 2019B Bonds have been in all respects duly and validly authorized by the EDA pursuant to the Bond Resolution; and

WHEREAS, the execution and delivery of this Indenture have been duly authorized by the EDA, and all conditions, acts and things necessary and required by the Constitution and Laws of the State of Minnesota, or otherwise, to exist, to have happened or to have been performed precedent to and in the execution and delivery of this Indenture, and in the issuance of the Series 2019B Bonds, do exist, have happened or have been performed in regular form, time and manner, and the execution and delivery of this Indenture have been in all respects duly authorized; and

WHEREAS, the Trustee has accepted the trust created by this Indenture and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

GRANTING CLAUSES

That the EDA, in order to secure the payment of the principal of, premium (if any) and interest on the Bonds issued under this Indenture according to their tenor and effect and the performance and observance of each and all of the covenants and conditions herein and therein contained, and for and in consideration of the premises and of the purchase and acceptance of the Bonds by the respective purchaser or purchasers and registered Owners thereof, and for other good and valuable consideration, the receipt whereof is hereby acknowledged, has executed and delivered this Indenture and has granted, bargained, sold, assigned, transferred, conveyed, pledged and set over, and by these presents does hereby grant, bargain, sell, assign, transfer, convey, pledge and set over, unto the Trustee, and to its successor or successors in the trust hereby created and to its assigns forever:

I.

All of the rights and interests of the EDA in and to the Ground Lease and the Lease, except for the rights of the EDA relating to expenses, indemnity, payment of attorneys' fees and advances under Sections 4.3, 7.5 and 7.6 of the Lease.

II.

A first lien on and pledge of all right, title and interest in (i) the moneys and investments in the Bond Fund covenanted to be created and maintained under this Indenture, (ii) any moneys and investments in the Project Fund not applied to payment of Project Costs, as further provided herein, and (iii) Net Proceeds of any insurance or condemnation award held by the Trustee pursuant to the terms of the Lease or this Indenture.

III.

Any and all other property of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, assigned or transferred, or in which a security interest is granted by the EDA or the City or by anyone in behalf of either of them or with their written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same according to the terms hereof.

TO HAVE AND TO HOLD all and singular the said property hereby conveyed and assigned, or agreed or intended so to be, to the Trustee, its successor or successors in trust and its and their assigns, FOREVER.

IN TRUST NEVERTHELESS, upon the terms and trust herein set forth, for the equal and proportionate benefit, security and protection of all Owners of the Bonds issued or to be issued under and secured by this Indenture, without preference, priority or distinction as to lien or otherwise of any of the Bonds over any of the others;

PROVIDED, HOWEVER, that if the EDA, or its successors or assigns, shall well and truly pay or cause to be paid the principal of the Bonds and the premium (if any) and interest due or to become due thereon, at the times and in the manner mentioned in the Bonds according to the true intent and meaning thereof, or shall provide, as permitted hereby, for the payment thereof by depositing with the Trustee sums sufficient to pay the entire amount due or to become due thereon, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed and observed by the EDA and shall pay to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof; then upon such final payment this Indenture and the rights hereby granted shall cease, terminate and be void; otherwise, this Indenture to be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said property hereby assigned or pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the EDA agrees and covenants with the Trustee and with the respective Owners from time to time of the said Bonds or any part thereof, as follows:

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ARTICLE I

Definitions and Interpretation

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Article I and in the recitals and succeeding Articles of this Indenture shall, for all purposes of this Indenture and of any indenture supplemental hereto, have the meanings herein specified, such definitions to be equally applicable to both the singular and plural forms of any of the terms defined:

"Act" means, collectively, Minnesota Statutes, Section 465.71, Sections 469.001 to 469.047, Sections 469.090 to 469.1082, Chapter 471, and Chapter 475, as amended, as amended.

"Additional Bonds" means any Bonds issued pursuant to Sections 2.09 through 2.12 hereof.

"Authorized Officer," when used with respect to the City, means its Mayor, its City Manager, its Clerk, or any other person who is designated in writing by the City as an Authorized Officer for purposes of this Lease, and when used with respect to the EDA means its President, Secretary, Executive Director or any other person who is designated in writing by the EDA as an Authorized Officer for purposes of this Lease.

"Bond Fund" means the Bond Fund established under Section 5.01 of this Indenture.

"Bond Resolution" means the resolution adopted by the EDA on August 12, 2019 authorizing the issuance and sale of the Series 2019B Bonds, as the same may be amended, modified or supplemented by any amendments or modifications thereof.

"Bonds" means the Series 2019B Bonds and any Additional Bonds.

"Business Day" means any day on which the Trustee is open for business.

"Certificate" means a certification in writing required or permitted by the provisions either of the Lease or this Indenture signed and delivered to the Trustee or other proper person or persons. If and to the extent required by the provisions of Section 1.02 hereof, each Certificate shall include the statements provided for in said Section 1.02.

"Certified Resolution" means a copy of a resolution of the EDA or the City, certified by the clerk, secretary or other proper person to have been duly adopted and to be in full force and effect on the date of such certification.

"City" means the City of Brooklyn Center, Minnesota, a home rule charter city and political subdivision of the State of Minnesota, and any successor to its functions.

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"Closing Date" means the date on which the Bonds of any series are delivered to the Original Purchaser against payment therefor.

"Construction Period" means the period between the beginning of construction of the Facilities or the date on which the Series 2019B Bonds are first delivered to the Original Purchaser, whichever is earlier, and the Completion Date with respect to the construction of the Facilities, as defined in the Lease.

"Default" means default in the performance or observance of any of the covenants, agreements or conditions contained in this Indenture, or in the Bonds Outstanding hereunder, exclusive of any notice or period of grace required for a default to constitute an "Event of Default" as hereinafter provided.

"EDA" means the Economic Development Authority of Brooklyn Center, Minnesota, a public body corporate and politic and political subdivision of the State of Minnesota, and its successors and assigns as lessor under the Lease.

"Event of Default" means an Event of Default described in Section 7.01 of this Indenture which has not been cured.

"Excluded Portion" means the portion of the building constructed on Lot 5, Block 1, Shingle Creek Crossing 5th Addition, County of Hennepin, State of Minnesota, which is described after the word "Excluding" in **Exhibit A** to the Lease and is depicted in **Exhibit B** to the Lease.

"Facilities" means any buildings, structures and improvements to be constructed as the City's municipal liquor store on the Site, and all furniture, fixtures and equipment to be acquired with proceeds of sale of the Bonds and located thereon. For the avoidance of doubt, the parties acknowledge and agreement that the Facilities do not include the Excluded Portion.

"Ground Lease" means the Ground Lease of even date herewith, by which the City leases the Site to the EDA, as amended or supplemented from time to time.

"Improvements" means any addition, enlargement, improvement, extension or alteration of or to the Facilities as they then exist, and also means any fixtures, structures or other facilities (other than the Facilities) acquired or constructed by the City and located on the Site.

"Indenture" means this Trust Indenture dated as of September 1, 2019, between the EDA and Zions Bancorporation, as Trustee, under which the Bonds are authorized to be issued, and including any amendments or supplements hereto.

"Independent," when used with reference to an attorney, engineer, architect, certified public accountant, consultant or other professional person, means a person who (i) is in fact independent, (ii) does not have any material financial interest in the City or the transaction to which such person's Certificate or opinion relates (other than payment to be received for

professional services rendered), and (iii) is not connected with the EDA or the City as an officer, director or employee.

"Independent Counsel" means an Independent attorney duly admitted to practice law before the highest court of any state.

"Independent Engineer" means an Independent engineer or engineering firm or an Independent architect or architectural firm qualified to practice the profession of engineering or architecture under the laws of Minnesota.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

"Lease" means the Lease-Purchase Agreement of even date herewith between the EDA, as lessor, and the City, as lessee, as amended or supplemented from time to time.

"Lease Payments" means each of the payments due from the City to the EDA on each Lease Payment Date during the Term of the Lease, as shown on Exhibit B to the Lease.

"Net Proceeds," when used with respect to proceeds of insurance or a condemnation award, means moneys received or receivable by the City, as owner or as lessee under the Lease, or the Trustee, as lessee under the Ground Lease or as secured party, of the Site or the Facilities, less the cost of recovery (including attorneys' fees) of such moneys from the insuring company or the condemning authority.

"Opinion of Counsel" means a written opinion of counsel (who need not be Independent Counsel unless so specified) appointed by the City or the EDA and acceptable to the Trustee or appointed by the Trustee. If and to the extent required by the provisions of Section 1.02 hereof, each Opinion of Counsel shall include the statements provided for in said Section 1.02.

"Original Purchaser" means Robert W. Baird & Co., Incorporated.

"Outstanding" when used as of any particular time with reference to Bonds means (subject to the provisions of Section 9.03 of this Indenture pertaining to Bonds owned by the EDA or the City) all Bonds theretofore authenticated and delivered by the Trustee under this Indenture except: (i) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (ii) Bonds for the payment or redemption of which funds or direct obligations of or obligations fully guaranteed by the United States of America in the necessary amount shall have theretofore been deposited with the Trustee (whether upon or prior to the maturity or the redemption date of such Bonds), provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given pursuant to Article III of this Indenture, or provision satisfactory to the Trustee shall have been made for the giving of such notice; and (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to the terms of Section 2.07 pertaining to replacement of Bonds.

"Owner" means the registered owner of any Outstanding Bond.

"Permitted Encumbrances" means, as of any particular time: (i) liens for taxes and assessments not then delinquent, or which the City may, pursuant to provisions of Section 6.3 of the Lease, permit to remain unpaid, (ii) the Ground Lease and the Lease and amendments thereto, (iii) the EDA's and the Trustee's interest in the Facilities, (iv) any mechanic's, laborer's, materialmen's, supplier's or vendor's lien or right not filed or perfected in the manner prescribed by law, (v) such minor defects, irregularities, encumbrances, easements, rights-of-way and clouds on title as normally exist with respect to properties similar in character to the Site and which do not, in the opinion of Independent Counsel, materially impair the property affected thereby for the purpose for which it was intended, and (vi) easements, restrictions or encumbrances, if any, shown on Exhibit A to the Lease.

"Permitted Investments" means any investments, with an appropriate market value and of an appropriate maturity, permitted for the investment of public funds pursuant to Minnesota Statutes, Sections 118A.04 and 118A.05.

"Predecessor Bonds" of any particular Bond means every previous Bond evidencing all or a portion of the same debt as that evidenced by such particular Bond, and for purposes of this definition, any Bond authenticated and delivered under Section 2.07 hereof in lieu of a lost, destroyed or stolen Bond shall be deemed to evidence the same debt as the lost, destroyed or stolen Bond.

"Project" means the acquisition, construction and equipping of the Facilities and related facilities for use by the City on the Site.

"Project Costs" means the costs defined in Section 4.03 of this Indenture.

"Project Fund" means the Project Fund established under Section 4.02 hereof.

"Redeem" or "redemption" means and includes "prepay" or "prepayment" as the case may be.

"Regular Record Date" for the interest payable on any interest payment date on the Bonds of any series means the date specified in the provisions of this Indenture creating such series.

"Responsible Officer" of the Trustee hereunder means and includes the chair of the board of directors, the Chair/President, every vice Chair/President, every assistant vice Chair/President, the cashier, every assistant cashier, every corporate trust officer, and every officer and assistant officer of such trustee, other than those specifically above mentioned, to whom any corporate trust matter is referred because of knowledge of, and familiarity with, a particular subject.

"Series 2019B Bonds" means the $2,620,000 Economic Development EDA of the City of Brooklyn Center, Minnesota Lease Revenue Bonds (Liquor Store Project), Series 2019B, described in Section 2.01 of this Indenture.

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"Site" means the real property described in **Exhibit A** to the Lease, including any property added to or substituted for any portion of the Site, and less any real property released from the Lease pursuant to Article VI of the Lease. For the avoidance of doubt, the parties acknowledge and agree that the Site does not include the Excluded Portion.

"Special Record Date" for the payment of any Defaulted Interest (as defined in Section 2.05 hereof) on Bonds means a date fixed by the Trustee pursuant to Section 2.05 hereof.

"Term Bonds" means the Series 2019B Bonds so identified in Section 2.01 hereof.

"Trustee" means the trustee at the time serving as such under this Indenture.

"Trust Estate" means the interests of the EDA in the Ground Lease and the Lease assigned under Granting Clause I of this Indenture; the revenues, moneys, investments, contract rights, general intangibles and instruments and proceeds and products and accessions thereof as set forth in Granting Clause II of this Indenture; and additional property held by the Trustee pursuant to Granting Clause III of this Indenture.

Section 1.02. Characteristics of Certificate or Opinion. Any Certificate made or given by an officer of the EDA or of the City or by an Independent engineer, architect, consultant or other person may be based, insofar as it relates to legal matters, upon an Opinion of Counsel, unless such person knows that the opinion with respect to the matters upon which the Certificate may be based as aforesaid is erroneous, or, in the exercise of reasonable care, should have known that the same was erroneous. Any such Certificate or Opinion of Counsel may be based, insofar as it relates to factual matters, information with respect to which is in the possession of the EDA or the City, upon a supporting Certificate of an officer or officers of the EDA or the City, unless the signer knows that the supporting Certificate with respect to the matters upon which the Certificate or opinion may be based as aforesaid is erroneous, or, in the exercise of reasonable care, should have known that the same was erroneous.

Section 1.03. Additional Provisions as to Interpretation. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or funds in the necessary amount to pay or redeem any Bonds, the amount so to be deposited or held shall be the principal amount of such Bonds and all unpaid interest thereon to maturity, except that in the case of Bonds which are to be redeemed prior to maturity and in respect of which there shall have been furnished to the Trustee proof satisfactory to it that notice of such redemption on a specified redemption date has been duly given or provision satisfactory to the Trustee shall be made for such notice, the amount so to be deposited or held shall be the principal amount of such Bonds and interest thereon to the redemption date, together with the redemption premium, if any.

Any terms defined in the Lease but not defined herein shall have the same meaning herein unless the context hereof clearly requires otherwise.

This Indenture is governed by and shall be construed in accordance with the laws of Minnesota.

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ARTICLE II

Form, Execution and Registration of Bonds

Section 2.01. Form, Maturities and Numeration of Series 2019B Bonds. The Series 2019B Bonds to be issued and secured under this Indenture shall each be designated "Economic Development Authority of Brooklyn Center, Minnesota Lease Revenue Bond (Liquor Store Project), Series 2019B." The Series 2019B Bonds and Certificates of Trustee shall be substantially in the form set forth in **Exhibit B** hereto. The Series 2019B Bonds shall be issued in fully registered form and shall be in authorized denominations of $5,000 each, or any integral multiple thereof not exceeding the principal amount maturing in any year, initially numbered from R-1 upwards in order of maturity, and the Series 2019B Bonds originally issued, and not in exchange for Predecessor Series 2019B Bonds, shall be dated the Closing Date for the Series 2019B Bonds. Thereafter, any Series 2019B Bonds issued in exchange for Predecessor Series 2019B Bonds shall be dated as of the date to which interest on the Predecessor Series 2019B Bonds has been duly paid or provided for, or the Closing Date, if issued prior to the first interest payment date, and shall be numbered in order of issuance commencing with the next number after the highest number assigned to the initial Series 2019B Bonds. No Series 2019B Bond shall represent principal maturing in different years. The Series 2019B Bonds shall bear interest payable semiannually on February 1 and August 1 of each year, commencing on August 1, 2020, from the Closing Date, or the most recent interest payment date to which interest has been paid or duly provided for. Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30-day months. The principal and redemption price of the Series 2019B Bonds shall be payable to the registered Owners upon presentation at the office of the Trustee, in such coin or currency of the United States of America as may be, on the respective dates of payment thereof, legal tender for the payment of public and private debts, and interest on the Series 2019B Bonds shall be paid by check or draft mailed to the registered Owners at the Owners' registered addresses. The Regular Record Date referred to in Section 2.05 for the payment of interest on the Series 2019B Bonds payable, and punctually paid or duly provided for, on any interest payment date shall be the 15th day (whether or not a Business Day) of the calendar month next preceding such interest payment date. The Series 2019B Bonds shall be issued in the aggregate principal amount of Two Million Six Hundred Twenty Thousand Dollars ($2,620,000), shall mature on the dates and in the amounts, and shall bear interest at the rates per annum, according to dates of maturity, as follows:

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Maturity Date	Principal Amount	Interest Rate	Maturity Date	Principal Amount	Interest Rate
2021			2029		
2022			2030		
2023			2031		
2024			2032		
2025			2033		
2026			2034		
2027			2035		
2028					

Section 2.02. Execution of Bonds. The Bonds shall be signed in the name of the EDA by the manual or the facsimile signature of the President and the Executive Director of the EDA, or, in the absence of either or both of such officers, by other officers of the EDA, said signatures shall be authenticated by the manual signature of a Responsible Officer of the Trustee, which is hereby designated as authenticating agent. In the event that any of the officers whose signatures appear on any Bonds shall cease to be officers of the EDA before such Bond shall have been authenticated or delivered by the Trustee, such Bonds may, nevertheless, be authenticated, delivered, and be binding upon the EDA as though those officers who signed the same had continued to be such officers of the EDA; and, also, any Bond may be signed on behalf of the EDA by such person who, at the actual date of execution of such Bond, shall be the proper officer of the EDA, although at the date of such Bond such person shall not have been such an officer of the EDA. Upon the execution and delivery of this Indenture the EDA shall execute and deliver the Bonds to the Trustee for authentication.

Section 2.03. Authentication of Bonds. No Bonds shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder or under the Lease or the Bond Resolutions unless an authorized representative of the Trustee shall manually endorse and execute on such Bond a certificate of authentication substantially in the form of the Certificate of Trustee hereinabove set forth. Such Certificate of Trustee upon any Bond shall be conclusive evidence that such Bond so authenticated has been duly issued under this Indenture and that the Owner thereof is entitled to the benefits of this Indenture.

No Bonds shall be authenticated by the Trustee except in accordance with this Article.

The Trustee shall not be required to authenticate any Bond unless provided with the documents referred to in Section 2.08.

Section 2.04. Registration, Transfers and Exchange. As long as any of the Bonds issued hereunder shall remain Outstanding, the EDA shall maintain and keep at the office of the Trustee, as paying agent, registration records for the payment of the principal of and interest on the Bonds, as in this Indenture provided, and for the registration and transfer of the Bonds, and shall also keep at the office of the Trustee records for such registration and transfer. The EDA hereby appoints the Trustee, and its successors in the trust from time to time, as its agent to maintain said registration records at the office of the Trustee.

Upon surrender for transfer of any Bond at the office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered Owner or the Owner's duly authorized attorney, and upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer, the EDA shall execute and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more Bonds of the same series, of any authorized denominations and of a like aggregate principal amount, interest rate and maturity.

Except as the right of exchange may be limited as to Bonds of any series, at the option of the registered Owner thereof, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same series, maturity and interest rate of any authorized denominations, upon surrender thereof at the office of the Trustee.

In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the EDA shall execute and the Trustee shall deliver Bonds in accordance with the provisions of this Indenture. For every such exchange or transfer of Bonds, whether temporary or definitive, the EDA or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Indenture, the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the EDA or the Trustee incurred in connection therewith (except any applicable tax, fee or other governmental charge) shall be paid by the City pursuant to the Lease. The EDA and the Trustee shall not be obligated to make any such exchange or transfer of Bonds during the 15 days next preceding the date of the first publication or the mailing (if there is no publication) of notice of redemption in the case of a proposed redemption of Bonds. The EDA and the Trustee shall not be required to make any transfer or exchange of any Bonds called for redemption.

Section 2.05. Payment of Interest on Bonds; Interest Rights Preserved. Interest on any Bond of any series which is payable, and is punctually paid or duly provided for, on any interest payment date shall be paid to the person in whose name that Bond (or one or more Predecessor Bonds) is registered at the close of business on the Regular Record Date for such interest specified in the provisions of this Indenture creating such series.

Any interest on the Bonds which is payable, but is not punctually paid or duly provided for, on any interest payment date (herein called "Defaulted Interest") shall forthwith cease to be payable to the registered Owner on the relevant Regular Record Date solely by virtue of such Owner having been such Owner; and such Defaulted Interest may be paid at the election of the Trustee in each case, as provided in Subsection A or B below:

A. The Trustee may elect to make payment of any Defaulted Interest on the Bonds of any series to the persons in whose names such Bonds (or their respective Predecessor Bonds) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner.

The EDA or the City shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and at the same time the EDA or the City shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Subsection provided and not to be deemed part of the Trust Estate. Thereupon the Trustee may fix a Special Record Date for the payment of Defaulted Interest, which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the City and the EDA of such Special Record Date and, in the name of the EDA and at the expense of the City, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each Owner of a Bond of such series at the Owner's address as it appears in the registration records not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the Bonds of such series (or their respective Predecessor Bonds) are registered on such Special Record Date and shall no longer be payable pursuant to the following Subsection B.

B. Subject to the foregoing provisions of this Section, each Bond delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond and each such Bond shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

Section 2.06. Ownership of Bonds. As to any Bond, the EDA and the Trustee and their respective successors shall deem and treat the person in whose name the same shall be registered as the absolute Owner thereof for all purposes and neither the EDA nor the Trustee nor their respective successors shall be affected by any notice to the contrary. Payment of or on account of the principal of any such Bond shall be made only to or upon the order of the registered Owner thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 2.07. Reissuance of Mutilated, Destroyed, Stolen or Lost Bonds. In case any Outstanding Bond shall become mutilated or be destroyed, stolen or lost, the Trustee shall authenticate and deliver a new Bond of like tenor, number and amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, upon filing with the Trustee evidence satisfactory to the EDA and the Trustee that such Bond has been destroyed, stolen or lost and upon furnishing the EDA, the Trustee and the City with indemnity satisfactory to them and complying with such other reasonable regulations as the EDA, the

Trustee and the City may establish and payment of any expenses which the EDA, the Trustee or the City may incur in connection therewith. In the event any such Bond shall have matured, instead of issuing a substitute Bond, the EDA may pay the same without surrender thereof.

Section 2.08. Conditions for Authentication of Series 2019B Bonds. The Trustee shall not authenticate and deliver the Series 2019B Bonds to be issued and delivered pursuant to this Indenture unless theretofore or simultaneously therewith there shall have been delivered to the Trustee the following:

(a) Certified copies of the Bond Resolution authorizing the issuance of the Series 2019B Bonds and the execution and delivery of the Ground Lease, the Lease and this Indenture, and of the resolution adopted by the City, giving approval to the Project and authorizing the execution and delivery of the Ground Lease and the Lease.

(b) Executed counterparts of the Ground Lease, the Lease and this Indenture, and UCC-1 financing statements executed by the City as Debtor and describing as collateral any tangible personal property leased pursuant to the Lease, and by the EDA as Debtor and describing as collateral the property granted to the Trustee pursuant to the granting clauses hereof.

(c) The manually signed approving opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, as Bond Counsel, concerning the validity and legality of the Series 2019B Bonds and exclusion of interest thereon from gross income under the Internal Revenue Code.

(d) A Certificate of an Authorized Officer of the City to the effect that the City has deposited in the Project Fund, or has expended for Project Costs, or has on hand such amounts of money as are currently estimated to be needed to meet Project Costs for the Project in excess of the proceeds of the Series 2019B Bonds to be deposited in the Project Fund pursuant to Section 4.01 hereof, plus the amount necessary to pay the costs of construction of the Excluded Portion.

(e) An order for authentication and registration of the Series 2019B Bonds, signed by the Executive Director or other officer of the EDA, specifying the aggregate principal amount of the Series 2019B Bonds to be issued and directing the Trustee to deliver the Series 2019B Bonds to or upon the order of the Original Purchaser upon payment of the purchase price therefor.

(f) A certificate of the EDA pursuant to Section 148 of the Internal Revenue Code as to the absence of arbitrage expectation with respect to the Series 2019B Bonds, which certificate may be based on certifications of the City.

(g) Such further certifications, documents and Opinions of Counsel as the EDA or Bond Counsel may require.

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Section 2.09. Additional Bonds; Generally. The EDA, upon request of the City, may issue Additional Bonds of any series in amounts which are sufficient to pay the cost of completing the Project, acquiring, constructing or equipping Improvements and refunding Outstanding Bonds, to pay the costs of issuing such Additional Bonds, and, in the case of Additional Bonds issued to pay the cost of Improvements, to fund interest payable on such Additional Bonds for a period of time not to exceed 6 months beyond the completion of any Improvements financed with the proceeds thereof.

Section 2.10. Additional Bonds to Pay the Cost of Improvements. Additional Bonds of any series may be issued, at one time or from time to time, subject to the conditions hereinafter described, in an aggregate amount sufficient with any other funds available and committed therefor, to pay the cost of any Improvements, including Improvements located on real property contiguous with the Site, if such real property is to be acquired by the City and leased to the EDA pursuant to the Ground Lease; provided, however, that such real property, whether or not financed with the proceeds of Additional Bonds shall, as a condition to the issuance of such Additional Bonds, be subjected to the Ground Lease and the Lease and become part of the Site, and the City, the Trustee and the EDA shall take all action necessary to so provide.

Section 2.11. Additional Bonds for Refunding Purposes. Additional Bonds may be issued at any time or from time to time, subject to the conditions hereinafter described, for the purpose of providing funds, with any other funds available and committed therefor, for paying at their stated maturities or earlier optional redemption date all the Outstanding Bonds of any one or more series, including the payment of any interest which will accrue on such Bonds to the stated maturities or earlier optional redemption date thereof, and any expenses in connection with such refunding.

Section 2.12. Delivery of Additional Bonds. Additional Bonds of any series may be executed by the EDA and delivered to the Trustee for authentication, but only upon receipt by the Trustee of the following:

(a) An executed counterpart of the Supplemental Indenture creating such Additional Bonds;

(b) Executed counterparts of amendments to the Ground Lease and the Lease adding the property, if any, financed with the Additional Bonds to the Site and providing for additional Lease Payments sufficient to provide for the payment of principal, premium, if any, and interest on all Bonds to be Outstanding after the issuance of the Additional Bonds.

Section 2.13. Book-Entry Only System.

(a) The Series 2019B Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 2.01 hereof. Upon initial issuance, the ownership of each such Series 2019B Bond will be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns ("DTC").

Except as provided in this Section, all of the Outstanding Series 2019B Bonds will be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds of any series registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, the EDA, the City and the Trustee will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (the "Participants") or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person other than a registered Owner of Bonds, as shown by the registration books kept by the Trustee, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered Owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The EDA, the City and the Trustee may treat and consider the person in whose name each Bond is registered in the registration books kept by the Trustee as the absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers of such Bond, and for all other purposes. The Trustee will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered Owners, as shown in the registration books kept by the Trustee, and all such payments will be valid and effectual to fully satisfy and discharge the EDA's obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered Owner of Bonds, as shown in the registration books kept by the Trustee, will receive a certificated Bond evidencing the obligation of this Indenture. Upon delivery by DTC to the Trustee of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co.," will refer to such new nominee of DTC.

(c) The form of representation letter proposed to be submitted to DTC, which is on file with the EDA and the Trustee (the "Representation Letter"), is hereby approved, and the Executive Director and the Trustee are authorized to execute and deliver the Representation Letter in substantially the form on file, with such changes therein not inconsistent with law as the Executive Director and the Trustee may approve, which approval will be conclusively evidenced by the execution thereof.

(d) In the event the EDA, by resolution, determines that it is in the best interests of the persons having beneficial interests in the Bonds of any series issued in book-entry form that they be able to obtain Bond certificates, the EDA will notify the Trustee, which will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the EDA will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Indenture. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the EDA and the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the EDA will issue and the Trustee will authenticate Bond certificates in accordance

with this Indenture and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

(e) Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond will be made and given, respectively in the manner provided in the Representation Letter.

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ARTICLE III

Redemption of Bonds

Section 3.01. Redemption of Series 2019B Bonds. The Series 2019B Bonds are subject to extraordinary redemption on any Business Day in whole or in part, at a redemption price equal to par, plus accrued interest to the redemption date, at the election of the EDA or, in accordance with the Lease, the City, upon the happening of certain events of damage to or destruction or condemnation of the Site or the Facilities or change of law rendering the Lease unenforceable or impossible of performance, all as more fully provided in Section 7.7 of the Lease.

The Series 2019B Bonds maturing on or after February 1, 202__ are subject to optional redemption, at the election of the EDA or, in accordance with the Lease, the City, in whole or in part, and if in part in such manner as the EDA or, in accordance with the Lease, the City shall determine, on August 1, 202__ and any date thereafter, at a redemption price of par plus accrued interest.

Notice of any redemption of Series 2019B Bonds, shall be mailed in the form provided by Section 3.02 and in the manner and to the extent required by Section 3.03. Prior to the date fixed for redemption, funds shall be deposited with the Trustee sufficient to pay the Series 2019B Bonds called and accrued interest thereon. Upon the happening of the above conditions, any Series 2019B Bonds thus called shall not bear interest on or after the redemption date, and except for the purpose of payment by application of the funds so deposited, shall no longer be protected by this Indenture.

Section 3.02. Written Notice to Trustee. The EDA (upon direction of the City) shall provide the Trustee, not less than 45 days before the redemption date, written notice of its election to redeem Bonds, describing the Outstanding Bonds to be redeemed, the date of redemption, and the redemption price.

Section 3.03. Mailing and Publication of Notice. Notice of redemption (including when only a portion of the Bonds is to be redeemed, the series and numbers of such Bonds) shall be mailed by the Trustee, not less than 30 days before the redemption date, by first class mail, to the registered Owners of any Bonds which are to be redeemed, at their last addresses appearing upon the registration books maintained by the Trustee No notice of redemption need be given if the Owners of all Bonds called for redemption waive notice thereof in writing and such waiver is filed with the Trustee. The Trustee may provide a conditional notice of redemption upon the direction of the EDA or the City. If a conditional notice of redemption has been provided and the conditions are not satisfied, such notice of redemption shall be of no force and effect and the Bondholders shall be restored to their former positions as though no such notice of redemption had been delivered.

The Trustee also shall provide a copy of such notice in an electronic format to DTC and as prescribed by the Municipal Securities Rulemaking Board (the "MSRB"), together with such

identifying information as is prescribed by the MSRB, at least 30 days and not more than 45 days prior to such redemption date.

Section 3.04. Deposit for Redemption. On or prior to the redemption date, there shall be deposited with the Trustee cash in an aggregate amount which shall be sufficient to pay the redemption price of the Bonds to be redeemed and interest thereon to the redemption date; and there shall be deposited, or arrangements shall be made with the Trustee to deposit, with the Trustee a sum sufficient to pay the proper expenses and charges of the Trustee in connection with such redemption. Upon deposit with the Trustee of the aggregate amount of such redemption price and interest into the Bond Fund, such moneys shall be set aside by the Trustee and held by it for the account of the respective Owners of the Bonds being redeemed.

Section 3.05. Payment of Redeemed Bonds. After notice of redemption shall have been given as provided in Section 3.03, the Bonds specified in such notice shall become due and payable on the redemption date. Payment of the redemption price and interest shall be made to or upon order of each registered Owner, upon the surrender of the Bonds. Any installment of interest maturing on or prior to the redemption date shall be payable to the registered Owners of Bonds on the relevant Record Dates according to the terms of such Bonds and the provisions of Section 2.05 hereof and the notice of redemption herein provided for may so state. Notice of redemption having been given in the manner provided in this Article III and if either there were no conditions to such redemption or the conditions have been satisfied, and redemption moneys are available for the payment of all of the Bonds called for redemption on the redemption date, the Bonds so called shall cease to accrue interest on or after the redemption date, and such Bonds shall not be deemed to be Outstanding hereunder for any purpose, except that the Owners thereof, on presentation, as herein provided, shall be entitled to receive payment of the redemption price and interest accrued thereon to the redemption date from the moneys set aside by the Trustee as aforesaid.

Section 3.06. Cancellation of Redeemed Bonds. All Bonds so redeemed shall forthwith be canceled and destroyed by the Trustee; and no further Bonds shall be executed or authenticated or issued hereunder in exchange or substitution therefor.

Section 3.07. Partial Redemption of Bonds. If less than all of the Bonds of a series of a particular maturity at the time Outstanding are to be called for prior redemption, the particular Bonds or portions thereof of such maturity to be redeemed shall be selected randomly or by lottery except as otherwise provided herein. The Trustee shall call for redemption in accordance with the foregoing provisions as many Bonds or portions thereof as will, as nearly as practicable, exhaust the moneys available therefor. Particular Bonds or portions thereof shall be redeemed only in integral multiples of principal amount of $5,000.

In the case of Bonds of denominations greater than $5,000, if less than all of such Bonds then Outstanding are to be called for redemption, then for all purposes in connection with redemption, each $5,000 of principal amount shall be treated as though it was a separate Bond of the denomination of $5,000. If it is determined that one or more, but not all of the $5,000 units of principal amount represented by any such Bond is to be called for redemption, then upon notice of intention to redeem such $5,000 unit or units, the Owner of such Bond shall forthwith

surrender such Bond to the Trustee (1) for payment of the redemption price (including the redemption premium, if any, and interest to the date fixed for redemption) of the $5,000 unit or units of principal amount called for redemption and (2) exchange for a new Bond or Bonds of the aggregate principal amount of the unredeemed balance of the principal amount of such Bond, shall be issued to the Owner without charge therefor. If the Owner of any such Bond of a denomination greater than $5,000 shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, such Bond shall nevertheless become due and payable on the date fixed for redemption to the extent of the $5,000 unit or units of principal amount called for redemption (and to that extent only). Interest shall cease to accrue on the portion of the principal amount of such Bond represented by such $5,000 unit or units of principal amount on and after the date fixed for redemption; provided, that funds sufficient for the payment of the redemption price shall have been deposited with the Trustee and shall be available for the redemption of said $5,000 unit or units on the date fixed for redemption, and in such event, such Bond shall not be entitled to the benefit or security of this Indenture or the Bond Resolution to the extent of the portion of its principal amount (and accrued interest thereon to the date fixed for redemption and applicable premium, if any) represented by such $5,000 unit or units of principal amount, nor shall new Bonds be thereafter issued corresponding to said unit or units.

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ARTICLE IV

Bond Proceeds; Project Fund

Section 4.01. Deposit of Series 2019B Bond Proceeds. The EDA shall deposit, or shall direct the Original Purchaser of the Series 2019B Bonds to deposit, with the Trustee all of the net proceeds of the sale of the Series 2019B Bonds (including accrued interest thereon from the date from which interest is to be paid thereon to the date of delivery to the Original Purchaser), and out of such proceeds the Trustee shall:

(i) Deposit to the credit of the Bond Fund an amount equal to the accrued interest ($_____); and

(ii) Deposit to the credit of the Project Fund the balance of such proceeds, $_____.

Section 4.02. Establishment of Project Fund. The EDA hereby establishes a fund (the "Project Fund") with the Trustee and, on the Closing Date, there shall be deposited with the Trustee to the credit of the Project Fund proceeds of the Series 2019B Bonds, as provided in clause (ii) of Section 4.01. As provided in Section 4.05 hereof, Construction Period income and profit from the investment of moneys in the Project Fund shall be credited to the Project Fund. In addition to such proceeds of the Series 2019B Bonds, income and profit, the City has covenanted in Section 3.2 of the Lease that if the moneys in the Project Fund shall not be sufficient to pay the Project Costs in full, then the City shall pay all that portion of the Project Costs in excess of the moneys available therefor, which, together with such proceeds, income and profit will be sufficient to finance the total Project Costs. The EDA has no obligation to deposit any moneys in the Project Fund or to apply moneys to Project Costs except proceeds of Bonds or funds made available therefor by the City.

The moneys in the Project Fund shall be held in trust by the Trustee and applied to the payment of the Project Costs in accordance with and subject to the provisions of this Article, and pending such application shall be subject to a lien and charge in favor of the Owners of the Bonds issued and Outstanding under this Indenture and shall be held for the further security of such Owners until paid out as herein provided.

Section 4.03. Project Costs Defined. For the purposes of this Article, Project Costs do not include any costs of the Excluded Portion and shall include, without intending thereby to limit or restrict any proper definition of such cost under any applicable laws and generally accepted accounting principles, the following:

(a) Obligations incurred for labor (including payroll cost of City employees according to time spent by such employees on the Project) and to contractors, builders and material suppliers in connection with the acquisition, construction, reconstruction, renovation and installation of the Project, including obligations for machinery, materials and equipment therefor;

(b) Costs of acquisition of land and all interests in land required specifically for the Site, Site improvements required for the construction or operation of the Project, demolition of any existing building on the Site and removal of any equipment therefrom (net of any salvage).

(c) The cost of any indemnity and surety bonds deemed necessary by the City, the fees and expenses of the Trustee and any paying agent during the Construction Period, taxes and other municipal or governmental charges levied or assessed during the Construction Period on the Site, and any premiums for insurance incurred in connection with the Project during the Construction Period;

(d) Costs of acquisition and installation of equipment, furnishings and other tangible personal property required for the Project;

(e) Fees and expenses of engineers and architects for surveys, estimates and other preliminary investigations, preparation of plans, drawings and specifications, and supervising construction, as well as for the performance of all other duties of engineers and architects in relation to the Project or the issuance of the Bonds therefor, including the costs of such services as may have been performed by employees of the City;

(f) Expenses of administration, supervision and inspection properly chargeable to the Project, administrative fees and other expenses relating to the Project, title insurance premiums, abstracting and filing fees, legal expenses and fees, fiscal consultant fees and expenses, cost of audits and of preparing, offering, selling and issuing any of the Bonds, all other expenses relating to the issuance, sale and delivery of the Bonds and any other costs which are treated as "issuance costs" within the meaning of Section 147(g) of the Internal Revenue Code and initial fees of the Trustee; and

(g) Any other obligation or expense heretofore or hereafter incurred by the City in connection with the Project defined as and constituting a proper Project cost and approved by an Authorized Officer of the City.

Section 4.04. Payments from Project Fund. Each of the payments referred to in Section 4.03, including interest on the Bonds during the Construction Period, shall be made from the Project Fund only upon receipt of a Draw Request executed by an Authorized Officer of the City in substantially the form attached hereto as **Exhibit A**. The Draw Request shall set forth the following: (1) the requisition number, (2) the name and address of the person, firm or corporation to whom payment is due or has been made, (3) the amount to be paid, (4) the percentage of the cost attributable to Project Costs, (5) the purpose to which such payment is to be applied, and (6) that each obligation, item of cost or expense mentioned therein has been properly incurred and is a proper charge against the Project Fund and has not been the basis of any previous withdrawal. Such requisitions shall be submitted no more often than twice a month, and the Trustee shall issue its check for each payment required by each such requisition within three Business Days after receipt of said statement.

In the case of any construction contract providing for the retention of a portion of the contract price, the amount of the Draw Request shall be limited to the net amount remaining after deduction of any such portion. All payments made from the Project Fund shall be presumed by the Trustee to be made for the purposes certified in said statement, and the Trustee shall not be required to see to the application of any payments made from the Project Fund or to inquire into the purposes for which withdrawals are being made from the Project Fund.

For purposes of complying with the requirements of this section, the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon each Draw Request in the form set forth as **Exhibit A** attached hereto, which may be submitted by facsimile. The Trustee shall not be responsible for determining whether the funds on hand in the Project Fund are sufficient to complete the Project.

Moneys in the Project Fund shall be subject to withdrawal from time to time only for the purposes of paying Project Costs or for the reimbursement to the City, subject to any applicable provision of law, for payments theretofore made by the City for Project Costs. The EDA agrees that none of the funds in the Project Fund shall be used for any purposes other than payment or reimbursement of Project Costs and the payment of principal of, premium (if any) on and interest on the Bonds.

Section 4.05. Application of Balance in Project Fund. When the City has furnished to the Trustee a Certificate of an Authorized Officer as to the Completion Date, any balance then remaining in the Project Fund (after reserving such amount as the Authorized Officer shall deem necessary for the payment of any remaining amounts due or to become due for Project Costs, and after returning to the City any contingent funds which it may have deposited into the Project Fund as additional funds to finance total Project Costs and found to be unnecessary for such purpose), shall be transferred to the Bond Fund.

Section 4.06. Investment of Project Fund. The Trustee shall invest the moneys on deposit in the Project Fund at the request of an Authorized Officer of the City in Permitted Investments which shall (i) be payable in such amounts and at such times not later than the time or times when such moneys will be needed to pay Project Costs, and (ii) mature or may be redeemed no later than 12 months from the date of investment. The type, amount and maturity of Permitted Investments made pursuant to this Section shall conform to any instructions of the Authorized Officer. The Trustee may, from time to time, cause any such investments in the Project Fund to be sold or otherwise be converted into cash, whereupon the proceeds derived from such sale or conversion shall be deposited into the Project Fund in order to pay a Draw Request. Any interest or profit derived from investments shall be credited to the Project Fund. Any loss derived from investments shall be debited to the Project Fund. Investments permitted under this Section may be purchased from the Trustee or from any of its affiliates.

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ARTICLE V

Disposition of Pledged Revenues

Section 5.01. Bond Fund. The EDA hereby establishes and shall maintain with the Trustee, so long as any Bonds are Outstanding, a separate Fund to be designated "Economic Development Authority of Brooklyn Center, Minnesota Lease Revenue Bonds (Liquor Store Project) Bond Fund" (the "Bond Fund"), into which the Trustee shall make the following deposits:

(a) The amount required by Section 4.01(i) hereof to be deposited in the Bond Fund.

(b) On August 1, 2020 and each February 1 and August 1 thereafter, or as soon after the due date as received from the City, all payments by the City as Lease Payments under Section 4.2 of the Lease.

(c) All other moneys received by the Trustee from the City when accompanied by directions of the City that such moneys are to be paid into the Bond Fund or used for purposes for which moneys in the Bond Fund may be used.

(d) All other moneys required to be deposited in the Bond Fund pursuant to any provision of this Indenture, the Ground Lease, the Lease or the Bond Resolution.

The moneys and investments in the Bond Fund are irrevocably pledged and shall be used by the Trustee, from time to time, to the extent required:

FIRST: For the payment of principal of, premium (if any) on and interest on the Bonds, as and when such principal, premium and interest shall become due and payable; and

SECOND: Upon direction by the EDA, to purchase Outstanding Bonds at purchase prices not exceeding par plus accrued interest.

Section 5.02. Intentionally Omitted.

Section 5.03. Investment of Funds. To the extent authorized by applicable law, moneys on deposit to the credit of the Project Fund and the Bond Fund shall be invested by the Trustee, upon the written direction of an Authorized Officer of the City, in Permitted Investments. All such Permitted Investments shall at all times be a part of the Fund from which the money used to acquire such Permitted Investments shall have come. Such Permitted Investments shall be made so as to mature or be subject to redemption at the option of the holder thereof on or prior to the date or dates that the EDA anticipates that money therefrom will be required. Any interest accruing on and any profit realized from such investment shall be credited to the respective Fund. Any such investments shall be held in the name of the Trustee and by or under the control

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of the Trustee. The Trustee may make any and all such investments through its trust department or related companies. The Trustee shall sell and reduce to cash a sufficient amount of such investments in the trust funds whenever the cash balance in any such Fund is insufficient for a necessary transfer. Neither the Trustee nor the EDA shall be liable for any loss resulting from any such investment, nor from failure to preserve rights against endorsers or other prior parties to instruments evidencing any such investment. Investment of funds pursuant to this Section shall be limited as to amount and yield of investment in such manner that no part of the Outstanding Bonds shall be deemed "arbitrage bonds" under Section 148 of the Internal Revenue Code and regulations thereunder.

The EDA covenants and certifies to the Trustee and to and for the benefit of the Owners of the Bonds from time to time Outstanding that so long as any of the Bonds remain Outstanding, it will not knowingly take any action so that money on deposit in any fund or account in connection with the Bonds, whether or not such money was derived from the proceeds of the sale of the Bonds or from any other sources, will be used in a manner which, to its knowledge, will cause any of the Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code. Pursuant to such covenants, the EDA obligates itself to comply, to the best of its knowledge, throughout the term of the Bonds, with the requirements of Section 148 of the Code and any regulations promulgated thereunder. The Trustee shall be entitled to rely on the Tax Certificate delivered in connection with the issuance of the Bonds.

Section 5.04. Compliance with Arbitrage Restrictions. The EDA hereby acknowledges and confirms that the maintenance of the tax-exempt status of interest on the Bonds is dependent, among other things, on compliance with the arbitrage requirements set forth in Section 148 of the Internal Revenue Code and regulations thereunder. In order to confirm and carry out such understanding, the City has agreed under the Lease, inter alia, to comply with said Section 148 and regulations thereunder.

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ARTICLE VI

Particular Covenants of the EDA

The EDA covenants and agrees, so long as any Bonds shall be Outstanding and subject to the limitations on its obligations herein set forth, that:

Section 6.01. Payment of Bonds. It will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture and the Bond Resolution and in each and every Bond executed, authenticated and delivered hereunder; will pay, but solely from Lease Payments by the City and other amounts received or held by the Trustee hereunder, the principal of, premium (if any) on and interest on every Bond issued hereunder on the dates, at the places and in the manner prescribed in such Bonds in any coin or currency which, on the respective dates of payment of such principal and interest, is legal tender for the payment of public and private debts; and will cause such amounts received to be deposited with the Trustee prior to the due date of each installment of principal and interest and prior to the maturity of any Bond in amounts sufficient to pay such installment or Bond; provided, however, that the principal of and interest on any Bond is not and shall not constitute an indebtedness of the EDA or the City, within the meaning of any state constitutional provision, statutory or charter limitation and shall not be deemed to represent a debt or pledge the full faith or credit of the EDA or the City or grant to the Owner of any Bond any right to have the EDA or the City levy any taxes or appropriate any funds to the payment of principal of or interest on the Bonds, and the Bonds do not constitute or give rise to a charge against the general credit or taxing powers of the EDA or the City or a pecuniary liability of the EDA or the City, the payment of the Bonds to be made solely and only out of the moneys received pursuant to the Lease and the Funds and Accounts established and maintained with the Trustee pursuant to this Indenture and appropriated to the payment of the Bonds by this Indenture.

Section 6.02. Extensions of Payments of Bonds and Interest. The EDA shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest, except as may be expressly permitted by the provisions of this Indenture. Nothing in this Section shall, however, be deemed to limit the right of the EDA to fund or refund such Bonds and claims for interest.

Section 6.03. Authorization. The EDA has undertaken, pursuant to the Constitution and Laws of the State of Minnesota, to create and issue the Bonds, to use the proceeds thereof to finance the Project, to execute this Indenture and assign and pledge to the Trustee the Trust Estate, including the Lease Payments, and to make the covenants as herein provided. All necessary action and proceedings on their part to be taken for the creation and issuance of the Bonds and the execution and delivery of this Indenture have been duly and effectively taken, and the Bonds in the hands of the Owners thereof are and will be duly issued special, limited obligations of the EDA in accordance with their terms. The Bonds are being issued pursuant to the Act and are intended to be subject to no other general provisions of law respecting the authorization, execution and delivery of bonds.

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Section 6.04. Concerning the Lease. The EDA will cooperate or cause and permit the Trustee to take such action as may be necessary or advisable to enforce the covenants, terms and conditions of the Lease if such action shall be deemed to be in the best interest of the EDA or the Owners. The EDA shall do or cause to be done all things on its part to be performed under the Lease so that the obligations of the City thereunder shall not be impaired or excused.

Section 6.05. To Observe All Covenants and Terms; Limitations on EDA's Obligations. The EDA will not issue or permit to be issued any Bonds hereunder in any manner other than in accordance with the provisions of this Indenture and the agreements in that behalf herein contained, and will not suffer or permit any Default to occur under this Indenture, but will faithfully observe and perform all the conditions, covenants and requirements hereof. It is expressly agreed that the EDA has no obligation to levy taxes for, or make any advance or payment or incur any expense or liability from its general funds in performing, any of the conditions, covenants or requirements of the Bonds or this Indenture or from any funds other than revenues and income received pursuant to the Lease or moneys in the Funds and Accounts provided for herein.

Section 6.06. Liens; Further Assurances. The EDA agrees that it will not mortgage, sell or otherwise encumber its interest in the Site and the Facilities during the term of the Lease, except as such liens may constitute Permitted Encumbrances and subject to any amendments and other documents authorized pursuant to Section 12.01 hereof.

The EDA will execute or cause to be executed any and all further instruments required to perfect the lien of this Indenture on the property secured hereby, or to vest in the Trustee the right to receive and apply the revenues and income pledged to the payment or protection and security of the Bonds, and will execute, deliver, file or record any financing statement pursuant to the Uniform Commercial Code if such filing, registration or recording shall be necessary or convenient to effect, protect or confirm the pledge and lien of this Indenture. The City shall pay all fees and expenses in connection with the preparation of such documents and all filing and registration taxes and fees in connection therewith.

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ARTICLE VII

Remedies on Default

Section 7.01. Events of Default. Each of the following events is hereby defined as, and is declared to be and to constitute, an "Event of Default":

(a) If payment of the principal of any of the Bonds, or any premium thereon, when the same shall become due and payable, whether at maturity or proceedings for redemption, declaration or otherwise, shall not be made; or

(b) If payment of any interest on the Bonds when the same shall become due and payable (in which case interest shall be payable to the extent permitted by law on any overdue installments of interest, in each case at the interest rate borne by the Bonds in respect of which such interest is overdue) shall not be made; or

(c) If the EDA shall default in the due and punctual performance of any of the other covenants, conditions, agreements and provisions contained in the Bonds or in this Indenture, or in any indenture supplemental hereto on the part of the EDA to be performed, and such default shall have continued for a period of 60 days after written notice, specifying such default and requiring the same to be remedied, shall have been given to the EDA and to the City by the Trustee, or if such notice is given to the Trustee, the EDA and the City by the Owners of not less than 25% in principal amount of the Bonds then Outstanding; or

(d) If any "event of default" as that term is defined in the Lease shall occur and be continuing.

Section 7.02. Acceleration of Maturity. Upon the occurrence of an Event of Default, the Trustee may, and upon written request of the Owners of 25% in aggregate principal amount of Bonds Outstanding hereunder shall, by notice in writing delivered to the EDA and the City, declare the principal of all Bonds hereby secured then Outstanding and the interest accrued thereon immediately due and payable.

Section 7.03. Enforcement of Covenants and Conditions. In any case of Default or breach of any of the covenants and conditions of this Indenture, or to protect the Trust Estate, the Trustee, anything herein contained to the contrary notwithstanding and without any request from any Owner (subject, however, to the provisions of Section 8.06 hereof), may take such action or actions for the enforcement of its rights and the rights of the Owners and the rights of the EDA under the Ground Lease or the Lease as provided therein.

Upon the happening and continuance of an Event of Default, the Trustee may, and upon the written request of the Owners of not less than a majority in aggregate principal amount of Outstanding Bonds the Trustee shall, proceed forthwith by suit or suits at law or in equity or by any other appropriate remedy to enforce payment of the Bonds, to enforce application to such

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payment of the funds, revenues and income appropriated thereto by this Indenture and by the Bonds, to enforce rights of the EDA under the Ground Lease and the Lease, and to pursue any such other appropriate legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of its rights or any of the rights of the Owners. Notwithstanding the foregoing, the Trustee need not proceed upon any such written request of the Owners, as aforesaid, unless such Owners shall have offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby.

Section 7.04. Appointment of Receivers. Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and the Owners of Bonds under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the revenues, issues, payments and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 7.05. Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Indenture, the Lease or the Ground Lease shall, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee (including, but not limited to, fees and expenses incurred to date by the Trustee and which are unpaid), be deposited in the Bond Fund, and all moneys then held hereunder, including but not limited to moneys in the Bond Fund, shall be applied as follows:

(a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND: To the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the Bonds due on any particular date, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

(c) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (a) of this Section.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by it at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an interest payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Owner of any unpaid Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all Bonds and interest thereon have been paid under the provisions of this Section and all expenses and charges of the Trustee and the EDA have been paid, any balance remaining shall be paid to the persons entitled to receive the same; if no other person shall be entitled thereto, then the balance shall be paid to the City.

Section 7.06. Right of Trustee to Act Without Possession of Bonds. All rights of action (including the right to file proof of claim) under this Indenture, the Lease, the Ground Lease or the Bond Resolution, or under any of the Bonds, may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Owners of the Bonds hereby secured, and any recovery of judgment shall be for the equal benefit of the Owners of the Outstanding Bonds, subject to the provisions of Section 6.02 hereof with respect to extended Bonds and claims for interest.

Section 7.07. Power of Majority of Owners. Anything in this Indenture to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of Bonds Outstanding hereunder shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be

taken under this Indenture, the Lease, the Ground Lease, and the Bond Resolution; provided that such direction shall not be otherwise than in accordance with the provisions of applicable law and that the Trustee shall be indemnified as provided in Section 8.06 and provided further that the Trustee may refuse to follow any direction that conflicts with law or this Indenture, is unduly prejudicial to the rights of other Owners, or would subject the Trustee to personal liability.

Section 7.08. Limitation on Suits by Owners. No Owner of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of this Indenture, or for the execution of any trust hereof or for any other remedy hereunder, unless a Default has occurred of which the Trustee has been notified or of which it is deemed to have notice; nor unless also such Default shall have become an Event of Default and the Owners of a majority in aggregate principal amount of Bonds Outstanding hereunder shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers granted herein or to institute such action, suit or proceeding in its own name; nor unless also they shall have offered to the Trustee indemnity as provided in Section 8.06; and such notification, request and offer of indemnity are hereby declared in every such case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for enforcement or for any other remedy hereunder; it being understood and intended that no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the lien of this Indenture by their action or to enforce any right hereunder except in the manner herein provided or to prejudice the rights of another Owner or obtain a preference or priority over another Owner, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Owners of all Bonds Outstanding hereunder. Nothing in this Indenture shall, however, affect or impair the right of any Owner, which is absolute and unconditional, to enforce and bring suit for the payment of the principal of and interest on any Bond at and after the maturity thereof or the obligations of the EDA to pay from the sources provided herein the principal of and interest on each of the Bonds issued hereunder to the respective Owners thereof at the time and place in said Bonds expressed, in accordance with the terms of the Bonds.

Section 7.09. Waiver by Owners. The Trustee, upon the written request of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding hereunder, shall waive any Event of Default hereunder and its consequences, except an Event of Default in the payment of the principal of the Bonds at the date of maturity specified therein; provided, however, that an Event of Default in the payment of interest on the Bonds shall not be waived unless, prior to such waiver, all arrears of interest, and all expenses of the Trustee shall have been paid or shall have been provided for by deposit with the Trustee of a sum sufficient to pay the same. In case of any such waiver, the EDA, the Trustee and the Owners of the Bonds shall be restored to their former positions and rights hereunder respectively. No such waiver shall extend to any subsequent or other Default or any Event of Default or impair any right consequent thereon.

Section 7.10. Remedies Cumulative, Delay Not To Constitute Waiver. No remedy by the terms of this Indenture, the Lease, the Ground Lease or the Bond Resolution conferred upon or reserved to the Trustee (or to the Owners) is intended to be exclusive of any other remedy, but

each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Default or Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Default or Event of Default hereunder, whether by the Trustee or by the Owners, shall extend to or shall affect any subsequent Default or Event of Default or shall impair any rights or remedies consequent thereon.

Section 7.11. Restoration of Rights Upon Discontinuance of Proceedings. In case the Trustee or Owners shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee or Owners, then and in every such case the EDA, the City, the Trustee and the Owners shall be restored to their former positions and rights hereunder with respect to the Trust Estate, and all rights, remedies and powers of the Trustee or Owners shall continue as if no such proceedings had been taken.

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ARTICLE VIII

Concerning the Trustee

Section 8.01. Acceptance of Trust and Prudent Performance Thereof. The Trustee, prior to the occurrence of an Event of Default and after the curing of all such Events of Default as may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. During the existence of any Event of Default which has not been cured, the Trustee shall exercise such rights and powers, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

The Trustee shall not be required to take notice or be deemed to have notice of any Default or Event of Default hereunder except Default in the deposits or payments specified, or failure by the EDA or the City to file with it any of the documents required or to deposit with it evidence of the insurance policies required hereunder or under the Lease, unless the Trustee shall be specifically notified in writing of such Default or Event of Default by the City, by the EDA or by the Owners of at least 25% in aggregate principal amount of Bonds Outstanding hereunder, and in order to be effective, all notices or other instruments required by this Indenture to be delivered to the Trustee must be delivered at the office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume that there is no Default or Event of Default except as aforesaid.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(a) prior to an Event of Default hereunder, and after the curing of all such Events of Default which may have occurred:

(1) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and to the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Trustee conforming to the requirements of this Indenture; and

(b) at all times, regardless of whether or not any Event of Default shall exist:

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(1) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts,

(2) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of all the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture;

(3) the Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees, and shall not be answerable for the conduct of the same appointed by the Trustee in the exercise of due care, and shall be entitled to advice of counsel concerning its duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with trusts hereof, and

(4) any action taken, or omitted to be taken, by the Trustee in good faith pursuant to this Indenture upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent, is the Owner of any Bond shall be conclusive and binding upon all future Owners of Bonds and upon Bonds executed and delivered in exchange therefor or in place thereof.

None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

Section 8.02. Trustee May Rely Upon Certain Documents and Opinions. Except as otherwise provided in Section 8.01,

(a) the Trustee may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties or to have been prepared and furnished pursuant to any of the provisions of this Indenture; and the Trustee shall be under no duty to make any investigation as to any statement or opinion contained in any such instance, but may accept the same as conclusive evidence of the trust and accuracy of such statement or the correctness of such opinions;

(b) any request, direction, election, order, certification or demand of either of the EDA or the City shall be sufficiently evidenced by an instrument signed by an Authorized Officer of the EDA or the City, as the case may be (unless otherwise in this

Indenture specifically prescribed), and any resolution of the EDA or the City may be evidenced to the Trustee by a Certified Resolution;

(c) the Trustee may consult with counsel (who may be counsel for the EDA or the City) and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel; and

(d) whenever, in the administration of the trusts of this Indenture, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by a Certificate of the EDA or the City, and such Certificate shall, in the absence of negligence or bad faith on the part of the Trustee, be full warrant to the Trustee for any action taken or suffered by it under the provisions of this Indenture upon the faith thereof.

Section 8.03. Trustee Not Responsible for Indenture Statements, Validity. The Trustee shall not be responsible for any recital or statement herein, or in the Bonds (except in respect of the Certificate of the Trustee endorsed on the Bonds), or for the validity of the execution by the EDA of this Indenture or the validity or execution of the Ground Lease, the Lease or the Bond Resolution or of any supplemental instrument, or for the sufficiency of the security of the Bonds issued hereunder or intended to be secured hereby, or for the value or title of any of the Trust Estate, or otherwise as to the maintenance of the security hereof, or for the application of the Bond proceeds, for the use or application of any property or moneys released or paid out in accordance with the provisions of this Indenture, the Ground Lease or the Lease; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenant, condition or agreement on the part of the EDA or the City except as herein set forth, but the Trustee may require of the EDA and the City full information and advice as to the performance of the covenants, conditions and agreements aforesaid and of the condition of the physical property included in the Trust Estate. The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

Section 8.04. Limits on Duties and Liabilities of Trustee. The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty of the Trustee and the Trustee shall be answerable only for its own negligence or willful misconduct. The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

Section 8.05. Money Held in Trust. Money held by the Trustee hereunder is held in trust but need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the EDA or the City.

Section 8.06. Obligation of Trustee. The Trustee shall be under no obligation to institute any suit, or to take any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall have received indemnity satisfactory to the Trustee for repayment of all costs and expenses, outlays and counsel fees and other reasonable disbursements in connection therewith and against all risk and liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it, without assurance of reimbursement or indemnity, and in such case the Trustee shall be reimbursed for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the City shall fail to make such reimbursement, the Trustee may reimburse itself from any moneys in its possession under the provisions of this Indenture and shall be entitled to a preference therefor over any of the Bonds Outstanding hereunder.

Section 8.07. Notice to Owners, Etc. The Trustee shall give to the Owners of the Bonds whose names and addresses are known to it written notice of all Events of Default known to the Trustee by virtue of actual knowledge of a Responsible Officer, within 60 days after the occurrence of the Event of Default, unless the Event of Default has been cured before the giving of such notice; provided that, except in the case of Events of Default in the payment of principal of or interest on any of the Bonds, the Trustee shall be protected in withholding such notice if and so long as its board of directors, an executive committee or trust committee of directors or chief executive officer of the Trustee in good faith determines that the withholding of such notice is in the interest of the Owners; and further provided that no such notice shall be given unless and until any Default becomes an Event of Default.

The Trustee shall notify any rating agency then maintaining a rating on the Outstanding Bonds (i) not less than 10 Business Days in advance of the execution of any supplement, amendment or change to any financing documents; (ii) upon any deficiency in any fund or account held by the Trustee; (iii) upon a direction from the City to purchase or redeem all or any portion of the Bonds; (iv) upon the resignation or petition for removal of the Trustee or the appointment of a successor Trustee; and (v) upon any Event of Default or upon any event, that with notice and/or with the lapse of time, could become an Event of Default under this Indenture or any other transaction document.

Section 8.08. Intervention in Judicial Proceedings. In any judicial proceeding to which the EDA or the City is a party and which, in the opinion of the Trustee, based upon an Opinion of Counsel which shall be reasonably satisfactory to the City, has a substantial bearing on the interests of the Owners of Bonds issued hereunder, the Trustee may intervene on behalf of Owners and shall, subject to Section 8.06 hereof, do so if requested in writing by the Owners of at least 25% in aggregate principal amount of Bonds Outstanding hereunder. The rights and obligations of the Trustee under this Section are subject to the approval of the court having jurisdiction in the premises.

Section 8.09. Further Investigation by Trustee. The resolutions, opinions, Certificates and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be in full warrant,

protection and authority to the Trustee for its actions hereunder; but the Trustee may, in its unrestricted discretion, and shall, if requested in writing so to do by the Owners of not less than 25% in aggregate principal amount of Bonds Outstanding hereunder, cause to be made such independent investigation as it may see fit, and in that event may decline to release any property, or pay over cash, or take other action unless satisfied by such investigation of the truth and accuracy of the matters so investigated. The expense of such investigation shall be paid by the City.

Section 8.10. Trustee to Retain Records. The Trustee shall retain all financial statements furnished by the City in accordance with this Indenture or the Lease so long as any of the Bonds shall be Outstanding.

Section 8.11. Compensation and Indemnification of Trustee. All advances, counsel fees and other expenses reasonably made or incurred by the Trustee in and about the execution of the trust hereby created and reasonable compensation to the Trustee for its services in the premises shall be paid by the City. The compensation of the Trustee shall not be limited to or by any provision of law in regard to the compensation of trustees of an express trust. If not paid by the City, the Trustee shall have a first lien, with right of payment prior to payment on account of interest on or principal of any Bond issued hereunder, for reasonable compensation, expenses, advances and counsel fees incurred in and about the execution of the trusts hereby created and the exercise and performance of the powers and duties of the Trustee hereunder and for the cost and expense incurred in defending against any liability in the premises of any character whatsoever (unless such liability is adjudicated to have resulted from the negligence or willful misconduct of the Trustee). To the extent permitted by law, the City shall indemnify, defend, protect and hold the Trustee harmless from and against any and all losses, liability, damages, costs or expenses that the Trustee may suffer or incur arising out of or in connection with the acceptance or administration of this Indenture or the trusts hereunder or the performance of its duties hereunder or under the Lease or the Ground Lease (unless such liability is adjudicated to have resulted from the negligence or willful misconduct of the Trustee). Nothing in this section will be construed to limit or affect any limitations on liability of the City or EDA under State or federal law, including without limitation Minnesota Statutes, Sections 466.04 and 604.02. The payment and indemnification obligations of the City hereunder shall survive the termination of this Indenture, the Lease and the Ground Lease, the payment in full of the Bonds, and the resignation or removal of the Trustee.

Section 8.12. Trustee May Hold Bonds. The Trustee and its officers and directors may acquire and own, or become the pledgee of, Bonds and otherwise deal with the EDA or the City in the same manner and to the same extent and with like effect as though it were not Trustee hereunder.

Section 8.13. Appointment of Trustee. There shall at all times be a trustee hereunder which shall be an association or a corporation organized and doing business under the laws of the United States or any State thereof, authorized under such laws to exercise corporate trust powers, having a combined capital, surplus and undivided profits of at least Ten Million Dollars ($10,000,000), and subject to supervision or examination by Federal or State authority. If such association or corporation publishes reports of condition at least annually, pursuant to law or to

the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital, surplus and undivided profits of such corporation shall be deemed to be its combined capital as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, and another association or corporation is eligible, the Trustee shall resign immediately in the manner and with the effect specified in Section 8.16 hereof.

Section 8.14. Merger of Trustee. Any corporation or national banking association into which the Trustee or substantially all of its corporate trust business may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or national banking association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 8.15. Resignation or Removal of Trustee. The Trustee may resign and be discharged from the trusts created by this Indenture by giving to the City 30 days' notice in writing, and to the Owners notice by first class mail at their addresses as set forth on the registration books, of such resignation, specifying a date when such resignation shall take effect. Such resignation shall take effect no earlier than the date on which a successor trustee shall have been appointed as hereinafter provided.

Any Trustee hereunder may be removed at any time by an instrument or instruments in writing, appointing a successor to the Trustee so removed, filed with the Trustee and executed by either (i) the EDA and the City, or (ii) the Owners of a majority in principal amount of the Bonds hereby secured and then Outstanding.

No resignation or removal of the Trustee or any successor shall be effective until a successor Trustee shall have been appointed and such party shall have accepted the duties of Trustee hereunder.

Section 8.16. Appointment of Successor Trustee. In case at any time the Trustee shall resign or shall be removed or otherwise shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver of the Trustee or of its property shall be appointed, or if a public supervisory office shall take charge or control of the Trustee or of its property or affairs, a vacancy shall forthwith and ipso facto be created in the office of such Trustee hereunder, and a successor may be appointed by either (i) the EDA and the City or (ii) the Owners of a majority in principal amount of the Bonds hereby secured and then Outstanding, by an instrument or instruments in writing filed with the Trustee and executed by the EDA and the City or by such Owners, as applicable, notification thereof being given to the City, but in the event the Trustee has been removed by action of the Owners, until a new Trustee shall be appointed by the Owners as herein authorized, the EDA may, subject to the provisions hereof, appoint a Trustee to fill such vacancy. After any appointment by the EDA, the Trustee so appointed shall cause notice of

its appointment to be mailed within 30 days after such appointment to the registered Owners of the Bonds, but any new Trustee appointed by the EDA shall immediately and without further act be superseded by a Trustee appointed in the manner above provided by the Owners of a majority in principal amount of the Bonds whenever such appointment by the Owners shall be made.

If, in a proper case, no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within 30 days after a vacancy shall have occurred in the office of Trustee, the Owner of any Bond hereby secured or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Section 8.17. Transfer of Rights and Property to Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the EDA and the City an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the EDA or of its successor Trustee execute and deliver an instrument transferring to such successor all the estate, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any assignment, conveyance or instrument in writing from the EDA be required by any successor Trustee for more fully and certainly vesting in such successor Trustee the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Trustee, any and all such assignments, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the EDA. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all assignments, conveyances and other instruments provided for in this Article shall, at the expense of the City, be forthwith filed and/or recorded by the successor Trustee in each recording office where this Indenture shall have been filed and/or recorded.

Section 8.18. Appointment of Successor or Alternate Paying Agents. In the event the initial Trustee shall also have been appointed paying agent for any Bonds, a successor Trustee shall become successor paying agent with respect to such Bonds unless otherwise provided in the instrument appointing such successor Trustee. If any paying agent other than the initial Trustee shall resign or become incapable of acting, or shall be removed under a supplemental indenture entered into pursuant to the terms hereof, the Trustee may appoint a successor paying agent which is a bank or trust company qualified to act as paying agent under the Act and which is willing to accept the office on reasonable and customary terms approved by an Authorized Officer of the City. The Trustee may appoint successor paying agents. "Paying agent" as used in this Section refers to the bank or trust company named in the form of Bond provided for the Bonds in the recitals hereof, where principal of and interest on Bonds may be paid.

ARTICLE IX

Concerning the Owners

Section 9.01. Execution of Instruments by Owners. Any request, direction, consent or other instrument in writing required by this Indenture to be signed or executed by Owners may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Owners in person or by agent duly appointed by an instrument in writing. Proof of the execution of any such instrument and of the Ownership of Bonds shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument if made in the following manner:

(a) The fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments of deeds to be recorded within such jurisdiction, to the effect that the person signing such instrument acknowledged the execution thereof, or by an affidavit of a witness to such execution.

(b) The Ownership of Bonds shall be proved by the registration records kept under the provisions of this Indenture.

Nothing contained in this Article shall be construed as limiting the Trustee to the proof above specified, it being intended that the Trustee may accept any other evidence of the matters herein stated which to it may seem sufficient.

Section 9.02. Waiver of Notice. Any notice or other communication required by this Indenture to be given by delivery, publication or otherwise to the Owners or any one or more thereof may be waived, at any time before such notice or communication is so required to be given, by a writing mailed or delivered to the Trustee by the Owner or Owners of all of the Bonds entitled to such notice or communication.

Section 9.03. Determination of Owner Concurrence. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned by the EDA or the City shall be disregarded and deemed not to be Outstanding for the purpose of any such determination, provided that for the purpose of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent or waiver only Bonds which the Trustee knows to be so owned shall be disregarded. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section if the pledgee certifies to the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by or under common control with the EDA or the City. The Trustee may conclusively rely and be protected in relying upon the certifications provided by such pledgee.

Section 9.04. Owners' Meeting. A meeting of the Owners may be called at any time and from time to time for any of the following purposes:

(1) to give any notice to the EDA or to the Trustee, or to give any direction to the Trustee, or to make any request of the Trustee, or to consent to the waiving of any default hereunder and its consequences, or to take any other action authorized to be taken by Owners pursuant to any of the provisions of Article VII hereof;

(2) to remove the Trustee or appoint a successor Trustee pursuant to the provisions of Article VIII hereof;

(3) subject to Article XI hereof, to consent to the execution of an indenture or indentures supplemental hereto;

(4) subject to Article XII hereof, to consent to any amendment of the Lease or the Ground Lease or to any instrument supplemental thereto; or

(5) to take any other action authorized to be taken by or on behalf of the Owners of any percentage of the Outstanding Bonds under any other provisions of this Indenture or under applicable law.

Any Owners' meeting may be called and held as follows:

(a) A meeting of Owners may be held at such place within the City of Brooklyn Center, Minnesota or in the city where the Trustee has its designated office as the Trustee or, in case of its failure to act, the EDA or Owners calling the meeting shall prescribe.

(b) Notice of every meeting of Owners, setting forth the time and place of such meeting and in general terms the action proposed to be taken at such meeting, shall be mailed, postage prepaid, to each Owner of Bonds and to the City. Any failure of the Trustee to mail such notice, or any defect therein shall not, however, in any way impair or affect the validity of any such meeting.

(c) In case at any time the EDA or the City, pursuant to a Certified Resolution, or the Owners of at least 10% in aggregate principal amount of the Bonds then Outstanding, shall have requested the Trustee to call a meeting of the Owners, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have given notice of such meeting within 20 days after receipt of such request, then the EDA or the Owners of Bonds in the amount above specified may call such meeting to take any action authorized in this Section by giving notice thereof as provided in paragraph (b) of this Section.

(d) Only an Owner of one or more Bonds or a person appointed as proxy by an instrument in writing of such Owner shall be entitled to vote at or to participate with

their counsel and the representatives of the Trustee, the City or the EDA in such meeting. Each Owner shall be entitled to one vote for each $5,000 in principal amount of Outstanding Bonds held.

(e) The Trustee or, in case of its failure to act, the EDA, the City or Owners calling or requesting the meeting, may make such reasonable regulations as it may deem advisable for any meeting of Owners in regard to proof of the holding of Bonds and of the appointment of proxies and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem appropriate.

(f) At any meeting of Owners, the presence of persons holding or representing Bonds in an aggregate principal amount sufficient under the appropriate provision of this Indenture to take action upon the business for the transaction of which such meeting was called shall constitute a quorum. Any meeting of Owners duly called pursuant to this Section may be adjourned from time to time by vote of the Owners (or proxies for the Owners) of a majority of the Bonds represented at the meeting and entitled to vote, whether or not a quorum shall be present; and the meeting may be held as so adjourned without further notice.

(g) The vote upon any resolution submitted to any meeting of Owners shall be by written ballots on which shall be subscribed the signatures of the Owners of Bonds or of their representatives by proxy and the serial number or numbers of the Bonds held or represented by them. The chair of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record, at least in duplicate, of the proceedings of each meeting of Owners shall be prepared by the secretary of the meeting, and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was mailed as provided in paragraph (b) hereof. Each copy shall be signed and verified by the affidavits of the chair and secretary of the meeting and one such copy shall be delivered to the City and the EDA and another to the Trustee to be preserved by the Trustee, the latter to have attached thereto the ballots voted at the meeting. Any record so signed and verified shall be conclusive evidence of the matters therein stated.

Section 9.05. Revocation by Owners. At any time prior to (but not after) the evidencing to the Trustee of the taking of any action by the Owners of the percentage in aggregate principal amount of the Bonds specified in this Indenture in connection with such action, any Owner of any such Bond may, by filing written notice with the Trustee at its designated office revoke any consent given by such Owner or the predecessor Owner of such Bond. Except as aforesaid, any such consent given by the Owner of any Bond shall be conclusive and binding upon such Owner and upon all future Owners of such Bond and of any Bond issued in exchange therefor or in lieu thereof, irrespective of whether any notation in regard thereto is made upon such Bond. Any

action taken by the Owners of the percentage in aggregate principal amount of the specified in this Indenture in connection with such action shall be conclusively binding upon the EDA, the City, the Trustee and the Owners of all the Bonds.

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ARTICLE X

Payment, Defeasance and Release

Section 10.01. Payment and Discharge of Indenture. If the City or the EDA, their successors or assigns, shall:

(a) pay or cause to be paid the principal of and premium, if any, and interest on the Bonds at the time and in the manner stipulated therein and herein, or

(b) provide for the payment of principal and premium, if any, of the Bonds and interest thereon by depositing with the Trustee at or at any time before maturity amounts sufficient either in cash or in direct obligations of or obligations fully guaranteed as to principal and interest by the United States of America, the principal and interest on which when due and payable (or redeemable at the option of the holder thereof but not at the option of the issuer thereof) and without consideration of any reinvestment thereof shall be sufficient, to pay the entire amount due or to become due thereon for principal and premium, if any, and interest to maturity of all said Bonds Outstanding, or

(c) deliver to the Trustee (1) proof satisfactory to the Trustee that notice of redemption of all of the Outstanding callable Bonds not surrendered or to be surrendered to it for cancellation has been given or waived as provided in Article III hereof, or that arrangements satisfactory to the Trustee have been made insuring that such notice will be given or waived, or (2) a written instrument executed by the EDA and expressed to be irrevocable, authorizing the Trustee to give such notice for and on behalf of the EDA, or (3) file with the Trustee a waiver of such notice of redemption signed by the Owners of all Outstanding callable Bonds, and in any such case, deposit with the Trustee before the date on which such Bonds are to be redeemed, as provided in said Article III, the entire amount of the redemption price, including accrued interest and premium, if any, either in cash or direct obligations of or obligations fully guaranteed as to principal and interest by the United States of America and described below (which do not permit the prior redemption thereof at the option of the issuer) in such aggregate face amount, bearing interest at such rates and maturing at such dates as shall be sufficient to provide for the payment of such redemption price on the date such Bonds are to be redeemed and on such prior dates when principal of and interest on the Outstanding Bonds is due and payable, and surrender to the Trustee for cancellation all Bonds for which payment is not so provided, and shall also pay all other sums due and payable hereunder by the EDA or the City, provided that if Bonds are to be defeased under either paragraph (b) or (c) above, (i) a report by an independent certified public accountant is provided to the Trustee that the money and securities held, together with investment earnings (but without considering any reinvestment of such earnings), will be sufficient to pay, as the same become due upon maturity or earlier redemption, all principal of, premium, if any, and interest on the Bonds which have not then previously been paid, and (ii) an Opinion of Counsel by nationally recognized bond counsel shall be rendered to the Trustee to the effect that the tax-exempt status of interest on the Bonds shall not be impaired thereby

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and that the Bonds have been defeased in accordance with this Indenture, then and in that case, all the Trust Estate shall revert to the EDA and the City as their interests may appear, and the entire estate, right, title and interest of the Trustee and of the registered Owners of the Bonds in respect thereof shall thereupon cease, determine and become void; and the Trustee in such case, upon the cancellation of all Bonds for the payment of which cash or securities shall not have been deposited in accordance with the provisions of this Indenture, shall, upon receipt of a written request of the EDA and of a Certificate of the EDA and an Opinion of Counsel as to compliance with conditions precedent, and at the City's cost and expense, execute to the EDA, or its order, proper instruments acknowledging satisfaction of this Indenture and surrender to the EDA and the City, as their interests appear, all cash and deposited securities, if any (other than cash or securities for the payment of the Bonds and interest thereon), which shall then be held hereunder as a part of the Trust Estate.

The investments for a defeasance must consist solely of one or more of the following: (i) cash; (ii) State and Local Government Series issued by the United States Treasury ("SLGs"); (iii) United States Treasury bills, notes and bonds, as traded on the open market; (iv) Zero Coupon United States Treasury Bonds; and (v) Refcorp Interest Strips (stripped by the Federal Reserve Bank of New York).

Nothing contained in this Section 10.01 shall be construed to prohibit the defeasance of one or more, but not all, series of Bonds by any of the methods set forth in clause (a), (b) or (c) above, as the same would apply to the particular series of Bonds being discharged.

Section 10.02. Bonds Deemed Not Outstanding After Deposits. When there shall have been deposited at any time with the Trustee in trust for the purpose, cash or direct obligations of or obligations fully guaranteed by the United States of America the principal and interest on which shall be sufficient to pay the principal of any Bonds (and premium, if any) when the same become due, either at maturity or otherwise, or at the date fixed for the redemption thereof, and to pay all interest with respect thereto at the due dates for such interest to maturity or to the date fixed for redemption, for the use and benefit of the Owners thereof, then upon such deposit all such Bonds shall cease to be entitled to any lien, benefit or security of this Indenture except the right to receive the funds so deposited, and such Bonds shall be deemed not to be Outstanding hereunder; and it shall be the duty of the Trustee to hold the cash and securities so deposited for the benefit of the Owners of such Bonds, and from and after such date, redemption date or maturity, interest on such Bonds called for redemption shall cease to accrue.

Section 10.03. Unclaimed Money To Be Returned. Any moneys deposited with the Trustee pursuant to the terms of this Indenture, for the payment or redemption of Bonds and remaining unclaimed by the Owners of such Bonds on the date fixed for redemption of the same, as the case may be, for a period of 3 years after the due date, shall, upon the written request of the City, and if the EDA or any successor to the obligations of the EDA under this Indenture and the Bonds shall not at the time, to the knowledge of the Trustee, be in default with respect to any of the terms and conditions contained in this Indenture or in such Bonds, be paid to the City, and such Owners of the Bonds shall thereafter look only to the City for payment and then only to the extent of the amounts so received without interest thereon. If the City does not request that the

money be returned to the City, the Trustee shall pay the money over to the State of Minnesota in accordance with applicable law.

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ARTICLE XI

Supplemental Indentures

Section 11.01. Purposes for Which Supplemental Indentures May Be Executed. The EDA, upon resolution, and the Trustee from time to time and at any time, subject to the conditions and restrictions contained in this Indenture, may enter into such indentures supplemental hereto as may or shall by them be deemed necessary or desirable, without the consent of any Owner, for any one or more of the following purposes:

(a) To correct the description of any property hereby pledged or intended so to be, or to assign, convey, pledge or transfer and set over to the Trustee, subject to such liens or other encumbrances as shall be therein specifically described, additional property or properties of the EDA or the City for the equal and proportional benefit and security of the Owners of all Bonds at any time issued and Outstanding under this Indenture, subject, however, to the provisions hereinabove set forth with respect to extended Bonds;

(b) To add to the covenants and agreements of the EDA in this Indenture other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the EDA or to or upon any successor;

(c) To evidence the succession or successive successions of any other department, agency, body or corporation to the EDA and the assumption by such successor of the covenants, agreements and obligations of the predecessor EDA in the Bonds hereby secured and in this Indenture and in any and every supplemental indenture contained or the succession, removal or appointment of any trustee or paying agent hereunder;

(d) To cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indentures which may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under this Indenture or any supplemental indenture as the EDA may deem necessary or desirable and which shall not be inconsistent with the provisions of this Indenture or any supplemental indenture and which shall not impair the security of the same; and

(e) To modify, eliminate and/or add to the provisions of this Indenture to such extent as shall be necessary to effect the qualification of this Indenture under the Trust Indenture Act of 1939, as then amended, or under any similar federal statute hereafter enacted, and to add to this Indenture such other provisions as may be expressly permitted by the Trust Indenture Act of 1939, excluding, however, the provisions referred to in Section 316(a)(2) of the Trust Indenture Act of 1939.

(f) To provide for the creation of any series of Additional Bonds, as provided in, and subject to the conditions and requirements of, Sections 2.09 through 2.12 hereof.

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(g) To amend or modify any provision of this Indenture so long as such amendment or modification does not materially adversely affect the interests of the Owners of the Bonds.

Section 11.02. Execution of Supplemental Indenture. The Trustee is authorized to join with the EDA in the execution of any such supplemental indenture, to make the further agreements and stipulations which may be therein contained, and to accept the conveyance, transfer and assignment of any property thereunder, but the Trustee shall not be obligated to enter into any such supplemental indenture which affects its rights, duties or immunities under this Indenture.

Section 11.03. Modification of Indenture with Consent of Owners. Subject to the terms and provisions contained in this Section, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, to consent to and approve the execution by the EDA and the Trustee of such indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the EDA for the purpose of modifying, altering, amending, adding to or rescinding in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture; PROVIDED, HOWEVER, that nothing herein contained shall permit or be construed as permitting, without the consent of the Owners of all Outstanding Bonds, (a) an extension of the maturity of any Bond issued hereunder, or (b) a reduction in the principal amount of any Bond or the redemption premium or the rate of interest thereon, or (c) the creation of a lien upon or a pledge of revenues ranking prior to or on a parity with the lien or pledge created by this Indenture, or (d) a preference or priority of any Bond or Bonds over any others, or (e) a reduction in the aggregate principal amount of the Bonds required to consent to supplemental indentures or amendments to the Lease or the Ground Lease, to the extent required herein, or (f) a reduction in the aggregate principal amount of the Bonds required to waive an Event of Default.

Whenever the EDA shall deliver to the Trustee a resolution of Owners adopted at an Owners' meeting approved by, or an instrument or instruments purporting to be executed by, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, which resolution or instrument or instruments shall refer to the proposed supplemental indenture and shall specifically consent to and approve the execution thereof, the EDA and the Trustee may execute such supplemental indenture without liability or responsibility to any Owner of any Bond, whether or not such Owner shall have consented thereto.

If the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of such supplemental indenture shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to the execution of such supplemental indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the EDA from executing the same or from taking any action pursuant to the provisions thereof.

Section 11.04. Supplemental Indentures to be Part of Indenture. Any supplemental indenture executed in accordance with any of the provisions of this Article shall thereafter form a part of this Indenture; and all the terms and conditions contained in any such supplemental indenture as to any provisions authorized to be contained therein shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes, and the respective rights, duties and obligations under this Indenture of the EDA, the Trustee and all Owners of Bonds then Outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments. Reference to any such supplemental indenture or any of such terms or conditions thereof may be set forth in reasonable and customary manner in the text of the Bonds or in a legend stamped on the Bonds.

Section 11.05. Rights of City Unaffected. Anything herein to the contrary notwithstanding, a supplemental indenture under this Article XI which adversely affects the rights of the City under the Lease, the Ground Lease or this Indenture, so long as the Lease, the Ground Lease and this Indenture are in effect, shall not become effective unless and until the City shall have consented to the execution and delivery of such supplemental indenture. The Trustee shall cause notice of the proposed execution and delivery of any such supplemental indenture (to the execution and delivery of which the City has not already consented), 30 days prior to the proposed date of execution and delivery of any such supplemental indenture.

Section 11.06. Opinion of Counsel Required. Anything herein to the contrary notwithstanding, no supplemental Indenture may be entered into unless the EDA and the Trustee have received an Opinion of Counsel to the effect that such supplemental Indenture is authorized and permitted by this Indenture, is enforceable against the EDA and the City, and does not adversely affect the tax-exempt status of the interest on the Bonds.

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ARTICLE XII

Amendments to the Lease and the Ground Lease

Section 12.01. Amendments to the Lease and the Ground Lease Not Requiring Consent of Owners. The EDA, the City and the Trustee shall, without the consent of or notice to the Owners, consent to any amendment, change or modification of the Lease or the Ground as may be required (i) by the provisions of the Lease or the Ground Lease or this Indenture, (ii) for the purpose of curing any ambiguity or formal defect or omission, (iii) in connection with the issuance of Additional Bonds as provided herein, or (iv) in connection with any other change in the Lease or the Ground Lease which, in the Opinion of Counsel, does not materially adversely affect the interests of the Trustee or the Owners of the Bonds.

Additionally, the City shall have the right to amend Exhibits A and B to the Ground Lease and Exhibits A and D to the Lease to clarify the legal description of the Site and the Excluded Property, as built, or to reflect the legal description of the Site and the Excluded Property plus common elements and limited common elements upon filing of common interest community plat prepared in accordance with Minnesota Statutes, Section 515B.2-1101 upon substantial completion of the structural components and common mechanical systems of the building constituting the Facilities or to reflect a registered land survey of the Site and the Excluded Property and the Trustee is authorized to execute, without the consent of the Holders, or the Issuer, any amendment to the Ground Lease and/or the Lease and any necessary easements, including without limitation easements described in Section 6.5(a)(2) of the Lease, quitclaim deeds or partial releases of the Ground Lease and/or the Lease, and any required consent, approval or other similar document necessary in connection therewith, upon receipt of a certification from the City that such amendments or other documents are not detrimental to the proper conduct of the operations of the City on or in the Site or the Facilities.

Section 12.02. Amendments to the Lease and the Ground Lease Requiring Consent of Owners. Except for amendments, changes or modifications as provided in Section 12.01 hereof, neither the EDA, nor the City nor the Trustee shall consent to any other amendment, change or modification of the Lease or the Ground Lease without the written approval or consent of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding given and procured as in this Section provided; provided, however, that no such amendment, change or modification shall ever affect the obligation of the City to make Lease Payments as they become due and payable. If the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding hereunder at the time of the execution of any such amendment, change or modification shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or in the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee, the EDA or the City from executing the same or from taking any action pursuant to the provisions thereof.

Section 12.03. Opinion of Counsel Required. Notwithstanding anything in this Article XII to the contrary, the Lease and the Ground Lease may not be amended unless the EDA and the Trustee have first received an Opinion of Counsel to the effect that the proposed amendment is authorized and permitted by this Indenture, is enforceable against the EDA and the City, and does not adversely affect the tax-exempt status of the interest on the Bonds.

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ARTICLE XIII

Miscellaneous

Section 13.01. Covenants of EDA Bind Successors and Assigns. All the covenants, stipulations, promises and agreements in this Indenture contained, by or in behalf of the EDA, shall bind and inure to the benefit of its successors and assigns, whether so expressed or not.

Section 13.02. Immunity of Officers. No recourse for the payment of any part of the principal of or interest on any Bond or for the satisfaction of any liability arising from, founded upon or existing by reason of the issue, purchase or Ownership of the Bonds shall be had against any officer, member or agent of the EDA or the State of Minnesota, as such, all such liability being hereby expressly released and waived as a condition of and as a part of the consideration for the execution of this Indenture and the issuance of the Bonds.

Section 13.03. No Benefits to Outside Parties. Nothing in this Indenture, express or implied, is intended or shall be construed to confer upon or to give to any person or corporation, other than the City, the parties hereto and the Owners of the Bonds issued hereunder, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation thereof; and the covenants, stipulations and agreements in this Indenture are and shall be for sole and exclusive benefit of the City, the parties hereto, their successors and assigns, and the Owners of the Bonds.

Section 13.04. Separability of Indenture Provisions. In case any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Indenture, but this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 13.05. Execution of Indenture in Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which, when so executed, shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.

Section 13.06. Headings Not Controlling. The headings of the several Articles and Sections hereof are inserted for the convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 13.07. Notices, etc., to Trustee, EDA, City and Original Purchaser. Any request, demand, authorization, direction, notice, consent of Owners or other document provided or permitted by this Indenture shall be sufficient for any purpose under this Indenture, the Lease or the Ground Lease, when hand delivered or mailed by first class mail, postage prepaid (except as otherwise provided in this Indenture) (with a copy to the other parties) at the following addresses (or such other address as may be provided by any party by notice) and shall be deemed to be effective upon receipt:

To the EDA:	Economic Development Authority of Brooklyn Center, Minnesota 6301 Shingle Creek Parkway Brooklyn Center, MN 55430 Attention: Executive Director
To the Trustee:	Zions Bancorporation 111 W. Washington Street, Suite 1860 Chicago, IL 60602 Attention: _____
To the City:	City of Brooklyn Center 6301 Shingle Creek Parkway Brooklyn Center, MN 55430 Attn: City Manager
To the Original Purchaser:	Robert W. Baird & Co., Incorporated 752 Stillwater Road, Suite 3 Mahtomedi, MN 55115 Attn: _____

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IN WITNESS WHEREOF, the EDA has caused this Indenture to be signed in its name by its duly authorized officers and Zions Bancorporation, as Trustee, to evidence its acceptance of the trust hereby created, has caused this Indenture to be signed in its name by authorized officers of the Trustee, all as of the day and year first above written.

ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA

By _____
Its President

By _____
Its Executive Director

ZIONS BANCORPORATION
as Trustee

By _____

Its _____

EXHIBIT A

DRAW REQUEST NO. _____

LEASE REVENUE BONDS (LIQUOR STORE PROJECT), SERIES 2019B

The undersigned, a duly authorized City Representative pursuant to that certain Trust Indenture, dated as of September 1, 2019 (the "Indenture"), between the Economic Development Authority of Brooklyn Center, Minnesota and Zions Bancorporation (the "Trustee") hereby requests and directs the Trustee to make the disbursements to the persons and in the amounts set forth below from the Project Fund pursuant to and in accordance with the provisions of Section 4.04 of the Indenture:

Payee	Purpose or Work Performed	Amount	Percentage Attributable to Project Costs

The undersigned certifies to the Trustee that each obligation, item of cost or expense mentioned above has been properly incurred, is an item of Project Cost and is a proper charge against the Project Fund and has not been the basis of any previous withdrawal.

The undersigned certifies to the Trustee that no obligation, item of cost or expense mentioned above has been incurred in connection with the construction of the Excluded Portion of the building constituting the Facilities.

Dated: _____

CITY OF BROOKLYN CENTER,
MINNESOTA

By: _____
City Representative

EXHIBIT B

FORM OF SERIES 2019B BOND

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF HENNEPIN
CITY OF BROOKLYN CENTER

ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN CENTER, MINNESOTA

No. R_____ $_____

Lease Revenue Bond (Liquor Store Project), Series 2019B

Interest Rate	Maturity	Date of Original Issue	CUSIP
	February 1, _____	September __ 2019	

Registered Owner: CEDE & CO.

Principal Amount:

The ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA, a public body corporate and politic and political subdivision of the State of Minnesota (the "EDA"), for value received, hereby promises to pay, but solely from the sources hereinafter described, to the Registered Owner specified above or registered assigns, the Principal Amount set forth above on the Maturity date specified above, upon the presentation and surrender hereof, and to pay to the Registered Owner hereof interest on such Principal Amount from such sources at the Interest Rate specified above from the Date of Original Issue set forth above, or the most recent interest payment date to which interest has been paid or duly provided for as specified below, on February 1 and August 1 of each year, commencing August 1, 2020, until said principal amount is paid. Interest shall be computed on the basis of a 360 day year composed of 12 30-day months and shall be payable to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a Business Day) of the month preceding such Interest Payment Date at such person's address set forth on the registration books maintained by the Trustee hereinafter designated. Principal and the redemption price are payable in lawful money of the United States of America at the office of Zions Bancorporation, Chicago, Illinois, as Trustee under the Indenture hereinafter described or of its successor as Trustee. Interest shall be paid on each interest payment date by check or draft mailed to the person in whose name this Bond is registered at the close of business on the 15th day of the month immediately preceding such interest payment date (whether or not a business day) at the Owner's address set forth on the registration records maintained by the Trustee. Any

such interest not punctually paid or provided for will cease to be payable on such regular record dates and such defaulted interest may be paid to the person in whose name this Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by the Trustee pursuant to the Indenture.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Trustee shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the EDA.

This Bond is issued pursuant to Minnesota Statutes, Section 465.71, Sections 469.001 to 469.047, Sections 469.090 to 469.1082, Chapter 471, and Chapter 475, as amended (collectively, the "Act"), and in conformity with the provisions, restrictions and limitations thereof. This Bond does not constitute or give rise to a charge against the general credit or properties or taxing powers of the EDA or the City of Brooklyn Center, Minnesota (the "City") and does not grant to the Owner of this Bond any right to have the EDA or the City levy any taxes or appropriate any funds for the payment of the principal hereof or interest hereon, nor is this Bond a general obligation or a pecuniary liability of the EDA or the City or the individual officers or agents thereof. This Bond does not constitute an indebtedness of the EDA or the City, within the meaning of any state constitutional provision, statutory or charter limitation. This Bond and interest hereon are payable solely from Lease Payments to be paid by the City pursuant to a Lease-Purchase Agreement dated as of September 1, 2019 (the "Lease"), from the EDA to the City or other moneys held by the Trustee in a Fund or Account appropriated to the payment of the Bonds of this series under the Trust Indenture dated as of September 1, 2019 (the "Indenture").

THE OBLIGATION OF THE CITY TO MAKE LEASE PAYMENTS PURSUANT TO THE LEASE IS SUBJECT TO ANNUAL APPROPRIATION BY THE CITY COUNCIL OF THE CITY. IN THE EVENT THE CITY COUNCIL DETERMINES NOT TO APPROPRIATE MONEYS FOR THE PAYMENT OF LEASE PAYMENTS DUE IN A FISCAL YEAR, THE LEASE WILL TERMINATE AT THE END OF THE THEN-CURRENT FISCAL YEAR, AND THE CITY WILL HAVE NO FURTHER OBLIGATION TO MAKE LEASE PAYMENTS PURSUANT TO THE LEASE.

This Bond is one of a duly authorized series of special, limited obligation Bonds (the "Series 2019B Bonds") in an aggregate principal amount of $2,620,000, in denominations of $5,000 or integral multiples thereof not exceeding the principal amount maturing in any year, and numbered from R-1 upwards, and of like tenor and effect except as to serial number, denomination, interest rate, maturity and right of prior redemption, all of which have been authorized by law to be issued and have been issued or are to be issued by the EDA pursuant to a Bond Resolution adopted by the EDA on August 12, 2019 (the "Bond Resolution"), to provide financing for the acquisition and construction of the Site and Facilities described in the Lease. The Series 2019B Bonds are equally and ratably secured by the Indenture and the Lease. Pursuant to the Indenture, the EDA has assigned to the Trustee all of its right, title and interest

(other than certain rights to indemnity and payment of expenses) in and to the Lease and the Ground Lease dated as of September 1, 2019 (the "Ground Lease") from the City to the EDA. Reference is hereby made to the Ground Lease, the Lease, the Indenture, the Bond Resolution, and any amendments or supplements thereto for a description and limitation of the property, revenues and funds pledged and appropriated to the payment of the Series 2019B Bonds, the nature and extent of the security thereby created, the rights of the Owners of the Series 2019B Bonds, the rights, duties and immunities of the Trustee, and the rights, immunities and obligations of the EDA and the City thereunder. Certified copies of the Bond Resolution and executed counterparts of the Indenture, the Ground Lease and the Lease are on file at the office of the Trustee.

The Series 2019B Bonds are subject to extraordinary redemption on any Business Day in whole or in part in certain events of damage to or destruction or condemnation of the Site or the Facilities, or change of law as provided in the Lease, at a redemption price equal to par plus accrued interest.

The Series 2019B Bonds maturing on or after February 1, 202__ are subject to optional redemption, at the election of the City, in whole or in part, and if in part in such manner as the City shall determine, on August 1, 202__ and any date thereafter, at a redemption price of par plus accrued interest.

Notice of any such redemption, shall be given to the registered Owner of each such Series 2019B Bond by first class mail, addressed to the Owner's registered address, not later than 30 days prior to the date fixed for redemption. The Trustee may provide a conditional notice of redemption upon the direction of the EDA or the City. If a conditional notice of redemption has been provided and the conditions are not satisfied, such notice of redemption shall be of no force and effect and the Bondholders shall be restored to their former positions as though no such notice of redemption had been delivered. On or prior to the date fixed for redemption, funds shall be deposited with the Trustee sufficient to pay the Series 2019B Bonds called and accrued interest thereon, plus any premium required. Upon the happening of the above conditions, Series 2019B Bonds thus called shall not bear interest on or after the call date and, except for the purpose of payment from the funds so deposited, shall no longer be protected by the Indenture.

This Bond is transferable, as provided in the Indenture, only upon the registration records maintained by the Trustee by the Registered Owner hereof in person or by the Owner's duly authorized attorney, upon surrender of this Bond for transfer at the office of the Trustee, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by, the Registered Owner hereof or the Owner's duly authorized attorney, and, upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer, one or more Series 2019B Bonds of the same maturity, aggregate principal amount and interest rate will be issued to the designated transferee or transferees.

The Series 2019B Bonds are issuable only as fully registered bonds without coupons in denominations of $5,000 or any integral multiple thereof not exceeding the principal amount maturing in any year. As provided in the Indenture and subject to certain limitations set forth therein, the Series 2019B Bonds are exchangeable for a like aggregate principal amount of Series

2019B Bonds of the same maturity and interest rate, of different authorized denominations, as requested by the Registered Owner or the Owner's duly authorized attorney upon surrender thereof to the Trustee.

In case an Event of Default as defined in the Indenture or the Lease occurs, the principal of this Bond and all other Series 2019B Bonds Outstanding may be declared or may become due and payable prior to the stated maturity hereof in the manner and with the effect and subject to the conditions provided in the Indenture, but no Owner of any Series 2019B Bond shall have any right to enforce the provisions of the Indenture, the Lease, the Ground Lease except as provided in the Indenture.

With the consent of the EDA and the Trustee, and to the extent permitted by and as provided in the Indenture, the terms and provisions of the Indenture, the Lease, the Ground Lease, or of any instrument supplemental thereto, may be modified or altered by the assent or authority of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding thereunder.

IT IS HEREBY CERTIFIED AND RECITED, and the EDA has found, that all acts, conditions and things required to be done precedent to and in the issuance of this Bond and the series of which it is a part have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and that this Bond and the series of which it is a part does not constitute a debt of the EDA within the meaning of any constitutional, or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose until it shall have been authenticated by the execution of the certificate hereon endorsed by the Trustee under the Indenture.

IN WITNESS WHEREOF, the Economic Development Authority of Brooklyn Center, Minnesota has caused this Bond to be executed in its name by the facsimile signatures of its duly authorized officers, all as of the Date of Original Issue specified above.

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF BROOKLYNN CENTER, MINNESOTA

_____(Facsimile)_____
Chair

_____(Facsimile)_____
Executive Director

Date:

(Form of Trustee's Certificate)

This is one of the Bonds described in the within mentioned Indenture.

ZIONS BANCORPORATION

Date: _____

By _____
Authorized Signature

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____

_____

_____

_____

(Please Print or Typewrite Name and Address of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

_____

Please Insert Social Security Number or Other Identifying Number of Assignee

_____

Notice: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular, without alteration or any change whatever.

SIGNATURE GUARANTEED:

_____

Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Trustee, which requirements include membership or Participation in STAMP or such other "signature guaranty program" as may be determined by the Trustee in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Trustee in the name of the person last noted below.

Date of Registration	Registered Owner	Signature of Trustee
	Cede & Co. Federal ID #_____	
_____		_____

Economic Development Authority
City Hall - Council Chambers
August 12, 2019

AGENDA

1. Call to Order

The City Council requests that attendees turn off cell phones and pagers during the meeting. A copy of the full City Council packet, including EDA (Economic Development Authority), is available to the public. The packet ring binder is located at the entrance of the council chambers.

2. Roll Call

3. Approval of Consent Agenda

The following items are considered to be routine by the Economic Development Authority (EDA) and will been acted by one motion. There will be no separate discussion of these items unless a Commissioner so requests, in which event the item will be removed from the consent agenda and considered at the end of Commission Consideration Items.

a. Approval of Minutes

- Motion to approve minutes from July 22, 2019

4. Commission Consideration Items

a. Resolution Awarding the Sale of, and Providing the Form, Terms, Covenants and Directions for the Issuance of, Lease Revenue Bonds (Municipal Liquor Store Project), Series 2019B

- Motion to approve a resolution of the Economic Development Authority of Brooklyn Center awarding the sale of, and providing the form, terms, covenants and directions for the issuance of, Lease Revenue Bonds (Municipal Liquor Store Project), Series 2019B.

5. Adjournment

EDA ITEM MEMORANDUM

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: Dr. Reggie Edwards, Deputy City Manager

FROM: Barb Suciu, City Clerk

SUBJECT: Approval of Minutes

Background:

Strategic Priorities and Values:

Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
July 22 EDA	8/7/2019	Backup Material

MINUTES OF THE PROCEEDINGS OF THE
ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN CENTER
IN THE COUNTY OF HENNEPIN AND THE
STATE OF MINNESOTA

REGULAR SESSION
JULY 22, 2019
CITY HALL – COUNCIL CHAMBERS

1. CALL TO ORDER

The Brooklyn Center Economic Development Authority (EDA) met in Regular Session called to order by President Mike Elliott at 10:15 p.m.

2. ROLL CALL

President Mike Elliott and Commissioners April Graves, Kris Lawrence-Anderson, and Dan Ryan. Commissioner Marquita Butler was absent and excused. Also present were Executive Director Curt Boganey, Community Development Director Meg Beekman, City Attorney Troy Gilchrist, and Mary Mullen, TimeSaver Off Site Secretarial, Inc.

3. APPROVAL OF AGENDA AND CONSENT AGENDA

Commissioner Lawrence-Anderson moved, and Commissioner Ryan seconded to approve the Agenda and Consent Agenda, and the following item was approved:

3a. APPROVAL OF MINUTES

1. July 8, 2019 – Regular Session

3b. RESOLUTION NO. 2019-15 APPROVING A TIF DEVELOPMENT AGREEMENT WITH BROOKLYN CENTER AH I, LLLP

Motion passed unanimously.

4. COMMISSION CONSIDERATION ITEMS

4a. RESOLUTION NO. 2019-16 APPROVING THE PURCHASE AGREEMENT AND CONVEYANCE OF CERTAIN PROPERTY TO COALITION DEVELOPMENT, LLC

Ms. Beekman reviewed a potential purchase agreement with Coalition Development for four parcels of land totaling 1.79 acres owned by the Economic Development Authority (EDA) at Brooklyn Boulevard and 61st Avenue N, which is currently zoned R1, C1, and PUD C2. She added the EDA's investment to date is $632,098, and bids are currently out for the demolition of

a structure on one of the properties. The EDA's total investment amount will be adjusted when demolition bids are received.

Ms. Beekman stated the developer, Coalition Development, is proposing a 113-unit 4-story mixed-income multi-family residential development. She added the City has a preliminary agreement with Coalition Development for this potential project. She noted City staff recommends approval of the Resolution approving the Purchase Agreement.

Commissioner Graves moved, and Commissioner Ryan seconded to open the Public Hearing at 10:20 p.m.

Motion passed unanimously.

There were no comments.

Commissioner Ryan moved, and Commissioner Graves seconded to close the Public Hearing at 10:21 p.m.

Motion passed unanimously.

Commissioner Ryan moved, and Commissioner Butler seconded to approve RESOLUTION NO. 2019-16 Approving the Purchase Agreement and Conveyance of Certain Property to Coalition Development, LLC.

Motion passed unanimously.

4b. RESOLUTION NO. 2019-17 APPROVING AN OPTION AGREEMENT AND ACQUISITION OF CERTAIN PROPERTY LOCATED AT 6100 SHINGLE CREEK PARKWAY

Ms. Beekman reviewed the potential acquisition of a 9-acre property at 6100 Shingle Creek Parkway that is currently zoned C2 Commerce. The EDA owns approximately 35 acres nearby and is in the process of developing a Master Plan for this property. A former Target Store on this property closed in 2018 and communicated a purchase price of $4 million. Acquisition of the property ensures the site will not be used in an interim in a manner that is detrimental to the Master Plan.

Ms. Beekman requested City Council consideration of an Option Agreement that would give the City the option to purchase the property for $3.6 million. An option deposit of $25,000 would be due upon signing and would be fully refundable except nominal fees.

Ms. Beekman stated City Staff is in the process of determining TIF eligibility, for a potential future redevelopment district. The property would be purchased "as is," and the annual cost of maintaining the property would be approximately $25,000, and 2020 property taxes would be $150,000.

Ms. Beekman stated TIF District #3 pooled revenue would be the source of funds for this property acquisition. She added City Staff recommends that the EDA adopt the Agreement regarding Acquisition of Certain Property at 6100 Shingle Creek Parkway.

Commissioner Graves requested clarification regarding the Option Agreement and what it means. Ms. Beekman stated it is the same as a Purchase Agreement, except it will be less binding. She added the City would have exclusive rights to the property, but also the option to extend the Agreement with additional payment, or execute the Agreement, or cancel it. She noted the Agreement would need to be executed by September 15, 2019.

Commissioner Ryan stated this same type of agreement was used when the City purchased the Brookdale Ford property. He added this would give the City some time to determine whether there is ground contamination, about which there has been some concern.

Commissioner Ryan moved, and Commissioner Graves seconded to adopt RESOLUTION NO. 2019-17 Approving an Option Agreement and Acquisition of Certain Property Located at 6100 Shingle Creek Parkway.

Motion passed unanimously.

5. ADJOURNMENT

Commissioner Graves moved, and Commissioner Ryan seconded adjournment of the Economic Development Authority meeting at 10:30 p.m.

Motion passed unanimously.

EDA ITEM MEMORANDUM

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: N/A

FROM: Nate Reinhardt, Finance Director

SUBJECT: Resolution Awarding the Sale of, and Providing the Form, Terms, Covenants and Directions for the Issuance of, Lease Revenue Bonds (Municipal Liquor Store Project), Series 2019B

Background:

The attached proposed resolution authorizes the EDA to issue Lease Revenue Bonds, Series 2019B in an amount not-to-exceed $2,735,000 for the purposes of constructing a new liquor store #1 at 1350 Shingle Creek Crossing. The resolution authorizes the President and the Executive Director to enter into:

- A Ground Lease dated as of September 1, 2019 with the City of Brooklyn Center (City). The Ground Lease will allow the EDA to acquire a leasehold interest in a portion of City owned property at 1350 Shingle Creek Crossing (Property) which is currently being constructed as a municipal liquor store.

- A Lease-Purchase Agreement dated as of September 1, 2019 with the City, where the City will lease the Property, together with the buildings, structures or improvements on the Property.

- A Trust Indenture dated as of September 1, 2019 between the EDA and Zions Bank.

Under Minnesota Statutes the EDA is authorized to issue revenue bonds for any of its corporate purposes and to pledge thereto income and revenues of the EDA. The Ground Lease and Lease-Purchase Agreement will allow the EDA to issue Lease Revenue Bonds, Series 2019B to finance the Municipal Liquor Store Project.

The EDA has retained Baker Tilly Municipal Advisors, LLC, as an independent advisor to assist the EDA in connection with the sale of the Series 2019B Bonds on a negotiated basis to Robert W. Baird & Co.

In order to ensure the best execution of the bond sale, the proposed resolution establishes acceptable parameters for the bond sale and authorizes the President and Executive Director of the EDA to execute the sale of the Lease Revenue Bonds in an amount not-to-exceed $2,735,000 and at a true interest rate not-to-exceed 3.0%. The bond proceeds will be used to pay for the costs of acquisition, construction and equipping of the City's municipal liquor store.

On June 24, 2019 the City awarded the bid for the construction of the Municipal Liquor Store to B2 Builders in the amount of $2,219,000. The total estimated budget including land acquisition, design, administration, construction and furnishings is estimated at $3.6 million.

Budget Issues:

As mentioned previously in the memo, the resolution establishes the maximum parameters for the bond sale of a principal amount of $2,735,000 and a true interest rate non-to-exceed 3.0% to provide some flexibility for the issuance. However, preliminary estimates anticipate the principal amount of the bond issue will be $2,620,000

at an estimated true interest rate of 2.5%. The bonds will have an estimated annual payment of principal and interest of $222,000 over a period of 15 years. The payment will be repaid from Municipal Liquor Store revenues. The City was paying approximately $230,000 per year in rent and common area maintenance charges at the current location of Store #1.

Proceeds from the bonds will be received September 18th, 2019. The Preliminary Official Statement which describes the bond sale in more detail has been attached.

Strategic Priorities and Values:

Safe, Secure, Stable Community

ATTACHMENTS:

Description	Upload Date	Type
Resolution Awarding Sale of Lease Revenue Bonds, Series 2019B	8/8/2019	Resolution Letter
Preliminary Official Statement - Lease Revenue Bonds Series 2019B	8/6/2019	Backup Material
Ground Lease Draft	8/8/2019	Backup Material
Lease Purchase Agreement Draft	8/8/2019	Backup Material
Indenture Draft	8/8/2019	Backup Material

Commissioner _____ introduced the following resolution and moved its adoption:

EDA RESOLUTION NO._____

A RESOLUTION AWARDING THE SALE OF, AND PROVIDING THE FORM, TERMS, COVENANTS AND DIRECTIONS FOR THE ISSUANCE OF, LEASE REVENUE BONDS (MUNICIPAL LIQUOR STORE PROJECT), SERIES 2019B

BE IT RESOLVED By the Economic Development Authority of Brooklyn Center, Minnesota (the "EDA"), as follows:

Section 1. Recitals.

1.01. The City of Brooklyn Center, Minnesota (the "City") is authorized by Minnesota Statutes, Section 465.71, as amended, to acquire real and personal property under lease-purchase agreements.

1.02. The EDA is authorized by Minnesota Statutes, Sections 469.001 to 469.047 and 469.090 to 469.1082, Chapter 471, and Chapter 475, as amended (collectively, the "Act"), and specifically Sections 469.034 and 469.035 thereof, to issue revenue bonds for any of its corporate purposes, and to pledge thereto income and revenues of the EDA and pursuant to Minnesota Statutes, Sections 469.091, Subdivision 1, the EDA has the powers of a housing and redevelopment authority under Minnesota Statutes, Sections 469.001 to 469.047.

1.03 Pursuant to the Act, the EDA has formed Housing Development and Redevelopment Project No. 1 (the "Project Area") and has adopted a Redevelopment Plan (the "Redevelopment Plan") for the Project Area which sets forth development objectives for the Project Area. A major objective of the Redevelopment Plan is to foster the development and redevelopment of commercial facilities in the Project Area.

1.04. The City has acquired certain property legally described as Lot 5, Block 1, Shingle Creek Crossing 5th Addition, County of Hennepin, State of Minnesota (the "Property") located in the EDA's Project Area.

1.05. The City and the EDA propose that pursuant to a Ground Lease dated as of September 1, 2019 (the "Ground Lease"), the EDA will acquire a leasehold interest in the Property, excluding the Excluded Portion (as defined therein) (the "Leased Premises") from the City, and the EDA will lease such Leased Premises, together with the buildings, structures or improvements now or hereafter located thereon (consisting of the Site and the Facility as defined therein), to the City pursuant to a Lease-Purchase Agreement dated as of September 1, 2019 (the "Lease").

1.06. Pursuant to a Trust Indenture dated as of September 1, 2019 (the "Indenture"), between the EDA and Zions Bancorporation, National Association, Chicago, Illinois, as trustee

(the "Trustee"), the EDA will issue its Lease Revenue Bonds (Municipal Liquor Store Project), Series 2019B (the "Series 2019B Bonds") in an approximate aggregate principal amount not to exceed $2,735,000.

1.07. Under the Indenture, proceeds of the Series 2019B Bonds will be used to pay costs of acquisition, construction and equipping of the City's municipal liquor store (the "Facility") and the Series 2019B Bonds will be secured by and payable from certain revenues of the EDA including lease payments under the Lease.

1.08. Forms of the Ground Lease, the Lease, the Indenture and the Official Statement for the Series 2019B Bonds and a Continuing Disclosure Certificate of the EDA and the City dated on or after September 1, 2019 (the "Continuing Disclosure Certificate"), have been prepared and submitted to the EDA and are on file with the EDA.

Section 2. Sale of Series 2019B Bonds; Terms.

2.01. Municipal Advisor. The EDA has retained Baker Tilly Municipal Advisors, LLC ("Baker Tilly MA"), an independent municipal advisor, to assist the EDA in connection with the sale of the Series 2019B Bonds on a negotiated basis. The Series 2019B Bonds are being sold pursuant to Minnesota Statutes, Section 475.60, subdivision 2, paragraph (9), without meeting the requirements for public sale under Minnesota Statutes, Section 475.60, subdivision 1.

2.02 Sale. The EDA hereby approves the sale of the Bonds to Robert W. Baird & Co., Incorporated (the "Underwriter") at the purchase price set forth in the Bond Purchase Agreement (the "Bond Purchase Agreement") dated as of the date hereof. The President and Executive Director of the EDA are hereby authorized and directed to execute the Bond Purchase Agreement on behalf of the EDA for the sale of the Bonds in substantially the form on file on the date hereof.

2.03. Issuance of Bonds. The EDA will forthwith issue and sell the Series 2019B Bonds in a total principal amount of not to exceed $2,735,000, with a true interest cost not to exceed 3.0% and a final maturity not later than February 1, 2036, in the form and upon the terms set forth in the Indenture, which terms are for this purpose incorporated in this resolution and made a part hereof; provided, however, that the initial aggregate principal amounts of and the maturities of the Bonds, the interest rates thereon, and any provisions for the optional or mandatory redemption thereof shall all be as set forth in the final form of the Indenture to be approved, executed and delivered by the officers of the EDA authorized to do so by the provisions of this Resolution, which approval shall be conclusively evidenced by such execution and delivery. The President and Executive Director of the EDA are authorized and directed to prepare and execute the Series 2019B Bonds as prescribed in the Indenture and to deliver them to the Trustee, together with a certified copy of this Resolution and the other documents required by Section 2.08 of the Indenture, for authentication, registration and delivery to the Underwriter. As provided in the Indenture, each Bond shall contain a recital that it is issued pursuant to the Act, and such recital shall be conclusive evidence of the validity and regularity of the issuance thereof.

2.04. Official Statement. A Preliminary Official Statement relating to the Bonds, prepared and delivered on behalf of the EDA by Baker Tilly MA, has been received and is hereby approved. Baker Tilly MA is hereby authorized on behalf of the EDA to prepare and distribute to the Underwriter a final Official Statement listing the offering price, the interest rates, selling compensation, delivery date, and such other information relating to the Series 2019B Bonds required to be included in the Official Statement by Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Act of 1934. The EDA shall deliver to the Underwriter sufficient copies of the Official Statement in accordance with applicable regulatory requirements. The officers of the EDA are hereby authorized and directed to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency thereof.

Section 3. Approval and Execution of Documents. The Ground Lease, the Lease, the Indenture, the Bond Purchase Agreement and the Continuing Disclosure Certificate, together with any other documents or certifications necessary in connection with the issuance of the Bonds, are hereby approved (collectively, the "Financing Documents"). The President and Executive Director are authorized and directed to execute and deliver the Financing Documents on behalf of the EDA, substantially in the forms on file, but with all such changes therein as shall be approved by the officers executing the same, which approval shall be conclusively evidenced by the execution thereof. Copies of all of the Financing Documents shall be delivered, filed and recorded as provided therein. The President and Executive Director of the EDA are also authorized and directed to execute such other instruments as may be required to give effect to the transactions herein contemplated.

Section 4. Revenue Pledge.

4.01. Payment. The Series 2019B Bonds are payable solely from the Lease Payments to be made by the City under the Lease, and from other moneys realized by the Trustee after default or termination of the Lease by the City as provided therein. No property or funds of the EDA, other than the property pledged pursuant to the Indenture is pledged to the payment of the Series 2019B Bonds.

Section 5. Authentication of Transcript.

5.01. Bond Transcript. The officers of the EDA are authorized and directed to prepare and furnish to the Underwriter and to the attorneys approving the Series 2019B Bonds, certified copies of proceedings and records of the EDA relating to the Series 2019B Bonds and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Series 2019B Bonds and such instruments, including any heretofore furnished, may be deemed representations of the EDA as to the facts stated therein.

5.02. Certification as to Official Statement. The Official Statement, as completed and supplemented, and its distribution to potential purchasers of the Series 2019B Bonds, is hereby approved. The President and the Executive Director are authorized and directed to certify that

they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Series 2019B Bonds and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

5.03. Other Certificates. The President and the Executive Director are hereby authorized and directed to furnish to the Underwriter at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Series 2019B Bonds or the organization of the City or incumbency of its officers, at the closing the President and the Executive Director shall also execute and deliver to the Underwriter a suitable certificate as to absence of material litigation, and the City Clerk shall also execute and deliver a certificate as to payment for and delivery of the Series 2019B Bonds.

Section 6. Miscellaneous.

6.01. Tax-Exempt Obligations. The EDA covenants and agrees with the holders from time to time of the Series 2019B Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Series 2019B Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Series 2019B Bonds.

6.02. Qualified Tax-Exempt Obligations. In order to qualify the Series 2019B Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the EDA makes the following factual statements and representations:

(a) the Series 2019B Bonds are not "private activity bonds" as defined in Section 141 of the Code;

(b) the EDA hereby designates the Series 2019B Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;

(c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) which will be issued by the Authority (and all subordinate entities of the EDA) during calendar year 2019 will not exceed $10,000,000; and

(d) not more than $10,000,000 of obligations issued by the EDA during calendar year 2019 have been designated for purposes of Section 265(b)(3) of the Code.

6.03. Procedural Requirements. The EDA will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

August 12, 2019
Date

President

The motion for the adoption of the foregoing resolution was duly seconded by Commissioner

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

The information contained in this Preliminary Official Statement is deemed by the Authority and the City to be final as of the date hereof; however, the pricing and underwriting information is subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Preliminary OFFICIAL STATEMENT DATED _____, 2019

NEW ISSUE **S&P Rating: _____**

BANK QUALIFIED

In the opinion of Kennedy & Graven, Chartered, Bond Counsel, based on present federal and Minnesota laws, regulations, rulings and decisions (which excludes any pending legislation which may have a retroactive effect), and assuming compliance with certain covenants, interest to be paid on the Series 2019B Bonds is excluded from gross income for federal income tax purposes and, to the same extent, from taxable net income of individuals, estates and trusts for Minnesota income purposes, and is not a preference item for purposes of computing the federal alternative minimum tax or the Minnesota alternative minimum tax imposed on individuals, trusts, and estates. Such interest is subject to Minnesota franchise taxes on corporations (including financial institutions) measured by income. No opinion will be expressed by Kennedy & Graven, Chartered regarding other state or federal tax consequences caused by the receipt or accrual of interest on the Series 2019B Bonds or arising with respect to ownership of the Series 2019B Bonds. The Series 2019B Bonds will be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations. See "TAX EXEMPTION" and "OTHER FEDERAL AND STATE TAX CONSIDERATIONS" herein.

$2,520,000*

Economic Development Authority of the City of Brooklyn Center, Minnesota

Lease Revenue Bonds (Municipal Liquor Store Project), Series 2019B

(the "Series 2019B Bonds")

(Book Entry Only)

Dated Date: Date of Delivery **Interest Due: Each February 1 and August 1, commencing August 1, 2020**

The Series 2019B Bonds will mature February 1 in the years and amounts* as follows:

Maturity (February 1)	Amount*	Interest Rate	Yield	CUSIP _____	Maturity (February 1)	Amount*	Interest Rate	Yield	CUSIP _____
2021	$ 95,000				2029	$175,000			
2022	$135,000				2030	$180,000			
2023	$140,000				2031	$190,000			
2024	$145,000				2032	$195,000			
2025	$150,000				2033	$205,000			
2026	$155,000				2034	$210,000			
2027	$160,000				2035	$215,000			
2028	$170,000								

The Economic Development Authority of the City of Brooklyn Center, Minnesota (the "Authority") may elect on February 1, 2028, and on any day thereafter, to redeem Series 2019B Bonds due on or after February 1, 2029 at a price of par plus accrued interest to the date of redemption. The Series 2019B Bonds are also subject to extraordinary redemption as described under "THE SERIES 2019B BONDS – Redemption Provisions – Extraordinary Redemption" herein.

The Series 2019B Bonds will be special, limited obligations of the Authority issued pursuant to a Trust Indenture dated as of September 1, 2019 (the "Indenture") between the Authority and Zions Bancorporation, National Association, Chicago, Illinois, as Trustee (the "Trustee"), and a resolution to be adopted by the governing body of the Authority on August 12, 2019 (the "Resolution"), payable solely from revenues to be received from the City of Brooklyn Center, Minnesota (the "City") pursuant to a Lease-Purchase Agreement dated as of September 1, 2019 (the "Lease") between the Authority and the City. **The City's obligation to make Lease Payments under the Lease is subject to non-appropriation. The Series 2019B Bonds shall not constitute a general obligation of the Authority or a charge against the general credit or taxing powers of the Authority, the City, or the State of Minnesota (the "State").** The proceeds of the Series 2019B Bonds will be used by the Authority to (i) finance the acquisition of property for construction and equipping of a new municipal liquor store (the "Project") and (ii) pay the costs of issuance.

The Series 2019B Bonds will be issued as fully registered bonds without coupons and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Series 2019B Bonds. Individual purchases may be made in book entry form only, in the principal amount of $5,000 and integral multiples thereof. Investors will not receive physical certificates representing their interest in the Series 2019B Bonds purchased (see "Book Entry System" herein). The Trustee will serve as registrar (the "Registrar") for the Series 2019B Bonds and the Authority will pay for registration services. The Series 2019B Bonds will be available for delivery at DTC on or about September 18, 2019.

The Series 2019B Bonds are being offered when, as and if issued and received by Robert W. Baird & Company, Incorporated, Saint Paul, Minnesota and Milwaukee, Wisconsin (the "Underwriter"), subject to prior sale, to withdrawal or modifications of the offer without any notice, and to the opinion as to validity of the Series 2019B Bonds by Kennedy & Graven, Chartered, of Minneapolis, Minnesota.

BAIRD

* *Preliminary; subject to change.*

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF BROOKLYN CENTER, MINNESOTA

BOARD OF COMMISSIONERS

Mike Elliott	President
Marquita Butler	Commissioner
April Graves	Commissioner
Kris Lawrence-Anderson	Commissioner
Dan Ryan	Commissioner

EXECUTIVE DIRECTOR

Cornelius L. Boganey

CITY OF BROOKLYN CENTER, MINNESOTA

CITY COUNCIL

Mike Elliott	Mayor
Marquita Butler	Council Member
April Graves	Council Member
Kris Lawrence-Anderson	Council Member
Dan Ryan	Council Member

CITY MANAGER

Cornelius L. Boganey

DIRECTOR OF FISCAL AND SUPPORT SERVICES

Nathan Reinhardt

MUNICIPAL ADVISOR

Baker Tilly Municipal Advisors, LLC
Saint Paul, Minnesota

BOND COUNSEL

Kennedy & Graven, Chartered
Minneapolis, Minnesota

UNDERWRITER

Robert W. Baird & Company, Incorporated
Saint Paul, Minnesota and Milwaukee, Wisconsin

Certain information contained in the Preliminary Official Statement or the Final Official Statement may have been obtained from sources other than records of the Authority and the City and, while believed to be reliable, is not guaranteed as to completeness or accuracy. THE INFORMATION AND EXPRESSIONS OF OPINION IN THE PRELIMINARY OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE PRELIMINARY OFFICIAL STATEMENT NOR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE AUTHORITY OR THE CITY SINCE THE RESPECTIVE DATE THEREOF.

References herein to laws, rules, regulations, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Preliminary Official Statement or the final Official Statement, they will be furnished upon request.

Any CUSIP numbers for the Series 2019B Bonds included in the final Official Statement are provided for convenience of the owners and prospective investors. The CUSIP numbers for the Series 2019B Bonds are assigned by an organization unaffiliated with the Authority. Neither the Authority nor the Underwriter is responsible for the selection of the CUSIP numbers and makes no representation as to the accuracy thereof as printed on the Series 2019B Bonds or as set forth in the Final Official Statement. No assurance can be given by the Authority that the CUSIP numbers for the Series 2019B Bonds will remain the same after the delivery of the final Official Statement or the date of issuance and delivery of the Series 2019B Bonds.

The Underwriter has provided the following sentence for inclusion in this Official Statement: "The Underwriter has reviewed the information in the Official Statement in accordance with, and as part of, their responsibility to investors under the federal securities laws as supplied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information."

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2019B BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

This Official Statement contains statements which, to the extent they are not recitations of historical fact, constitute "forward-looking statements." In this respect, the words "estimate," "project," "anticipate," "expect," "intend," "believe," and similar expressions are intended to identify forward-looking statements. A number of important factors affecting the City business and financial results could cause actual results to differ from those stated in the forward-looking statements.

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OFFICIAL STATEMENT

$2,520,000*

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF BROOKLYN CENTER, MINNESOTA

LEASE REVENUE BONDS (MUNICIPAL LIQUOR STORE PROJECT), SERIES 2019B

(BOOK ENTRY ONLY)

INTRODUCTORY STATEMENT

This Official Statement contains information regarding the Economic Development Authority of the City of Brooklyn Center, Minnesota (the "Authority"), the City of Brooklyn Center, Minnesota (the "City") and the Authority's issuance of $2,520,000* Lease Revenue Bonds (Municipal Liquor Store Project), Series 2019B (the "Series 2019B Bonds").

The Series 2019B Bonds will be issued pursuant to Minnesota Statutes, Section 465.71, Sections 469.001 to 469.047, Sections 469.090 to 469.1082, and Chapter 475, all as amended, a Trust Indenture dated as of September 1, 2019 (the "Indenture") between the Authority and Zions Bancorporation, National Association, Chicago, Illinois (the "Trustee") and a resolution to be adopted by the governing body of the Authority on August 12, 2019 (the "Resolution"). Proceeds of the Series 2019B Bonds will be used by the Authority to (i) finance the acquisition of property for construction and equipping of a new municipal liquor store (the "Project") and (ii) pay the costs of issuance. The Project will be leased to the City pursuant to and in accordance with a Lease-Purchase Agreement dated as of September 1, 2019 (the "Lease") to be entered into between the Authority, as Lessor, and the City, as Lessee, and subject to a Ground Lease, dated as of September 1, 2019, between the City, as Lessor, and the Authority, as Lessee (the "Ground Lease").

The Series 2019B Bonds are special, limited obligations of the Authority, payable solely from and secured by a pledge of lease payments (the "Lease Payments") to be made to the Authority by the City pursuant to the Lease. The Series 2019B Bonds do not constitute a general obligation of the Authority, the City, or the State, and are not a charge against the general credit of the Authority.

Brief descriptions of the Lease, the Indenture, the Ground Lease, and related documents (collectively, the "Documents") are included in this Official Statement. The references herein to the Documents are qualified in their entirety by reference to such Documents, which are available for inspection prior to delivery of the Series 2019B Bonds at the principal offices of Baker Tilly Municipal Advisors, LLC, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101, and upon delivery of the Series 2019B Bonds at the principal corporate trust office of the Trustee. All summaries of Documents contained in this Official Statement are not and do not purport to be comprehensive or definitive, and are subject to the provisions of, and are qualified in their entirety by reference to, such Documents. All capitalized terms which are not expressly defined herein shall have the meanings as defined in the Documents unless the context clearly requires a different meaning.

CONCURRENT FINANCING

By means of a separate Official Statement dated July 23, 2019, the City, while not the issuer of the Series 2019B Bonds described herein, expects to sell its $9,850,000* General Obligation Improvement and Utility Revenue Bonds, Series 2019A (the "Series 2019A Bonds") via a competitive sale on

* *Preliminary; subject to change.*

August 12, 2019. The Series 2019A Bonds are being issued pursuant to Minnesota Statutes, Chapters 429, 444, and 475. The proceeds of the Series 2019A Bonds will be used to finance (i) various street improvements within the City and (ii) various utility improvements within the City. Settlement of the Series 2019A Bonds is expected to take place concurrently with the Series 2019B Bonds.

CONTINUING DISCLOSURE

In order to assist Robert W. Baird & Co., Incorporated (the "Underwriter") in complying with SEC Rule 15c2-12 (the "Rule"), pursuant to the Resolution, the City and the Authority have covenanted to comply with the continuing disclosure undertaking (the "Undertaking") for the benefit of holders or beneficial owners of the Series 2019B Bonds to provide certain financial information and operating data relating to the City and the Authority to the Municipal Securities Rulemaking Board annually, and to provide notices of the occurrence of certain events enumerated in the Rule to the Municipal Securities Rulemaking Board and to any state information depository. The specific nature of the Undertaking, as well as the information to be contained in the annual report or the notices of material events, is set forth in the Undertaking in substantially the form attached hereto as Appendix III, subject to such modifications thereof or additions thereto as: (i) consistent with requirements under the Rule, (ii) required by the Underwriter, (iii) acceptable to the Mayor and the Manager of the City, and (iv) acceptable to the President and the Executive Director of the Authority.

The Authority has not had any debt outstanding in the past five years requiring compliance by the Authority with the Rule. The City believes it has materially complied for the past five years in accordance with the terms of its previous continuing disclosure undertakings entered into pursuant to the Rule, except to the extent the following are deemed to be material. In reviewing its past disclosure practices, the City notes the following:

- Prior continuing disclosure undertakings entered into by the City included language stating that the City's audited financial statements would be filed "as soon as available." Although not always filed "as soon as available," the audited financial statements were filed within the required twelve (12) month timeframe as required in each undertaking.

A failure by the City or the Authority to comply with the Undertaking will not constitute an event of default on the Series 2019B Bonds (although holders or other beneficial owners of the Series 2019B Bonds will have the sole remedy of bringing an action for specific performance). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2019B Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2019B Bonds and their market price.

THE SERIES 2019B BONDS

General Description

The Series 2019B Bonds are dated as of the date of delivery and will mature on February 1 as set forth on the front cover of this Official Statement. The Series 2019B Bonds are issued in book entry form. Interest on the Series 2019B Bonds is payable on February 1 and August 1 of each year, commencing August 1, 2020. Interest will be payable to the holder (initially Cede & Co.) registered on the books of the Registrar as of the fifteenth day of the calendar month next preceding such interest payment date. Interest will be computed on the basis of a 360-day year of twelve 30-day months. Principal of and interest on the Series 2019B Bonds will be paid as described in the section herein entitled "Book Entry System." The Trustee will serve as Registrar for the Series 2019B Bonds, and the Authority will pay for registrar services.

Redemption Provisions

Mailed notice of redemption shall be given to the registered owner(s) of the Series 2019B Bonds in accordance with the requirements of The Depository Trust Company "DTC" which currently requires no less than twenty (20) days nor more than sixty (60) days prior to the redemption date. Failure to give such written notice to any registered owner of the Series 2019B Bonds or any defect therein shall not affect the validity of any proceedings for the redemption of the Series 2019B Bonds. All Series 2019B Bonds or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment.

Optional Redemption

The Series 2019B Bonds having stated maturities on February 1, 2029 and thereafter are subject to redemption, at the election of the Authority, in whole or in part, on February 1, 2028, and on any date thereafter, at a price of par plus accrued interest. Redemption may be in whole or in part of the Series 2019B Bonds subject to prepayment. If redemption is in part, the maturity and principal amounts within each maturity to be redeemed shall be determined by the Authority, and if only part of the Series 2019B Bonds having a common maturity date are called for prepayment, the specific Series 2019B Bonds to be prepaid shall be selected randomly or by lottery by the Bond Registrar. Notice of redemption shall be given by registered mail to the registered owner of the Series 2019B Bonds not less than 30 days prior to such redemption date. The Bond Registrar may provide a conditional notice of redemption upon the direction of the Authority or the City. If a conditional notice of redemption has been provided and the conditions are not satisfied, such notice of redemption shall be of no force and effect and the Series 2019B Bondholders shall be restored to their former positions as though no such notice of redemption had been delivered.

Extraordinary Redemption

The Series 2019B Bonds are subject to extraordinary redemption on any Business Day in whole or in part, at a redemption price equal to par, plus accrued interest to the redemption date, at the election of the Authority or, in accordance with the Lease, the City, upon the happening of certain events of damage to or destruction or condemnation of the Site or the Facilities or change of law rendering the Lease unenforceable or impossible of performance, all as more fully provided in the Lease.

Book Entry System

DTC, New York, New York, will act as securities depository for the Series 2019B Bonds. The Series 2019B Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Series 2019B Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation all of which are registered clearing agencies.

DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2019B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019B Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2019B Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2019B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2019B Bonds, except in the event that use of the book-entry system for the Series 2019B Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2019B Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2019B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019B Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2019B Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2019B Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2019B Bond documents. For example, Beneficial Owners of the Series 2019B Bonds may wish to ascertain that the nominee holding the Series 2019B Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2019B Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2019B Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2019B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2019B Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or its agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by

standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or its agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2019B Bonds at any time by giving reasonable notice to Authority or its agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

RISK FACTORS

Cybersecurity

The Authority/City's services and systems may be critical to operations or involve the storage, processing and transmission of sensitive data, including valuable property tax, other proprietary or confidential data, regulated data, and personal information of employees, taxpayers, and others. Successful breaches, employee malfeasance, or human or technological error could result in, for example, unauthorized access to, disclosure, modification, misuse, loss, or destruction of the Authority/City's or other third party data or systems; theft of sensitive, regulated, or confidential data including personal information; the loss of access to critical data or systems; service or system disruptions or denials of service. A potentially successful cyberattack on the Authority/City's operations could also disrupt the delivery of Authority/City services and Authority/City operations. While the Authority/City employs professional information technology professionals and utilizes operational safeguards that are tested periodically, no assurance can be given that such measures will ensure that the Authority/City is protected against all cybersecurity threats or attacks.

INVESTORS SHOULD BE AWARE THAT INVESTMENT IN THE SERIES 2019B BONDS MAY ENTAIL SOME DEGREE OF RISK. EACH PROSPECTIVE INVESTOR IN THE SERIES 2019B BONDS IS ENCOURAGED TO READ THIS OFFICIAL STATEMENT IN ITS ENTIRETY. PARTICULAR ATTENTION SHOULD BE GIVEN TO THE FACTORS DESCRIBED BELOW WHICH, AMONG OTHERS, COULD AFFECT THE PAYMENT OF PRINCIPAL AND INTEREST ON THE SERIES 2019B BONDS AND WHICH COULD ALSO AFFECT THE MARKET PRICE OF THE SERIES 2019B BONDS TO AN EXTENT THAT CANNOT BE DETERMINED. THIS DISCUSSION OF RISK FACTORS IS NOT, AND IS NOT INTENDED TO BE, EXHAUSTIVE.

Special, Limited Obligation

Payment of the Series 2019B Bonds is a special, limited obligation of the Authority, payable solely from Lease Payments to be received from the City pursuant to the Lease. The Series 2019B Bonds are not a general obligation of the Authority or the City, and neither the Authority's nor the City's full faith and credit is pledged to the payment of the Series 2019B Bonds.

Maintenance of Rating

The Series 2019B Bonds will be rated as to their creditworthiness by S&P Global Ratings based upon the pledge of the Lease Payments. While the Authority does not anticipate any material changes in the future, no assurance can be given that the Series 2019B Bonds will maintain their original ratings. If the ratings on the Series 2019B Bonds decrease or are withdrawn, the Series 2019B Bonds may lack liquidity in the secondary market in comparison with other such municipal obligations. See "RATING" in this Official Statement.

No Reserve Fund or Credit Enhancement

No debt service reserve fund, financial guaranty insurance policy, letter of credit or other credit enhancement will be issued to insure principal and interest payments due with respect to the Series 2019B Bonds. Accordingly, any potential investor of the Series 2019B Bonds should consider the financial ability of the City to make Lease Payments under the Lease.

Non-Appropriation

Lease Payments will be payable solely from City funds which are annually budgeted and appropriated by the governing body of the City and which may be terminated in any Fiscal Year by action of such governing body. There is no assurance that the City will not non-appropriate under the Lease for a future Fiscal Year. Accordingly, any factors which may potentially influence the budgeting process of the City should be considered by a prospective purchaser of the Series 2019B Bonds.

In the event the governing body of the City fails to renew the Lease for any Fiscal Year, fails to budget and appropriate sufficient City funds for payment of all Lease Payments, or defaults under the Lease, the Lease will be terminated. In such event, the Series 2019B Bonds will be payable only from moneys held by the Trustee under the Indenture, including funds derived from the exercise of remedies available under the Lease and the Indenture.

Termination of the Lease

If the Lease is terminated for non-appropriation, the City shall deliver possession of the Project to the Authority and the Trustee, as assignee of the Authority's interest in the Lease under the Indenture and on behalf of the owners of the Series 2019B Bonds, would attempt to re-lease the Project. This may result in revenues substantially less than amounts to be received as Lease Payments under the Lease, and the proceeds of any such replacement lease or other disposition may be substantially less than the remaining principal amount on the Series 2019B Bonds.

Events of Default

Investors should understand that in an event of default by the City under the Lease, the remedies provided by the Lease may be unenforceable due to the application of principles of equity or State and federal laws relating to bankruptcy, moratoriums, reorganizations and creditor's rights generally, or may require the expenditure of money and considerable time to enforce. Further, investors should understand that in the event of default by the City under the Lease and the repossession of the Project by the Authority, the Authority may be unable to re-lease the Project, or to re-lease it at a price which will provide to the investors net proceeds equal to the amount of remaining principal of the Series 2019B Bonds.

Insurance Risk or Condemnation

The Lease provides that, in the event that the Project is damaged or destroyed by fire or other casualty, or title to or the temporary or permanent use of the Project, or any portion thereof, shall be taken under the exercise of the power of eminent domain, the City is obligated to repair and replace the Project from the proceeds of any insurance policy, performance bond or condemnation award made available by reason of such occurrence, or to exercise its option to redeem the Series 2019B Bonds in whole or in part.

The City is required under the Lease to cause the Project to be insured by policies of liability and property insurance in an amount not less than the full replacement value of the Project. However, there is no assurance that, in the event the Lease is terminated as a result of damage to or destruction or condemnation of the Project, moneys made available by reason of such an occurrence will be sufficient to redeem the Series 2019B Bonds at a price equal to the principal amount thereof outstanding plus accrued interest to the redemption date.

Determination of Taxability Risk

If the interest payable on the Series 2019B Bonds were to become subject to taxation, no provision has been made for redemption of the Series 2019B Bonds and investors holding the Series 2019B Bonds would not be entitled to any additional interest exceeding the rate printed on the Series 2019B Bonds. The Series 2019B Bondholder would subsequently be holding a security with a substantially lower interest rate return than that of a comparable taxable security.

THE AUTHORITY

The Economic Development Authority of the City of Brooklyn Center, Minnesota, is a body politic and corporate duly organized and existing under the laws of the State. The Authority was established in October 1987 and is governed by a five-member Board, with the Brooklyn Center City Council members and the Mayor serving on the Board. Board members serve terms concurrent with their terms on the City Council. The current Board members are as follows:

		Expiration of Term
Mike Elliott	President	December 31, 2022
Marquita Butler	Commissioner	December 31, 2020
April Graves	Commissioner	December 31, 2022
Kris Lawrence-Anderson	Commissioner	December 31, 2020
Dan Ryan	Commissioner	December 31, 2022

Mr. Cornelius L. Boganey is the Executive Director of the Authority, which is an appointed position. Mr. Boganey also serves as the City Manager.

AUTHORITY AND PURPOSE

The Series 2019B Bonds are being issued by the Authority pursuant to Minnesota Statutes, Section 465.71, Sections 469.001 to 469.047, Sections 469.090 to 469.1082, and Chapter 475, all as amended, the Indenture, the Lease, the Ground Lease, and the Resolution. Proceeds of the Series 2019B Bonds will be used by the Authority to (i) finance the acquisition of property for construction and equipping of a new municipal liquor store (the "Project") as described below and (ii) pay the costs of issuance.

THE PROJECT

Minnesota cities are authorized to sell beer, wine, and liquor as an enterprise fund of the City. Minnesota Statutes prohibit private off-site liquor operations if the City owns and operates a municipal liquor store. The City currently operates two liquor stores that employ six full-time positions and 30 part-time positions. In 2017 and 2018 liquor operations have generated an average of $6.62 million in total sales and an average net operating income of $304,217. Liquor store profits have historically been used to provide funding for City-wide capital improvements, including parks and trails that would have alternatively been unfunded or funded through additional property tax revenues.

The lease on the City's Liquor Store #1 (currently located at 5625 Xerxes Avenue) is set to expire in June 2020. The City will replace the current Liquor Store #1 with the Project. Over the past year, the City conducted a market study which determined City-ownership of the store would result in the following benefits: increased profit margins as a result of no longer paying rent expense; the accumulation of equity as debt is paid off; potential equity appreciation if the value of real estate increases over time; and the complete autonomy over the layout of the store, signage and branding; and ability to maximize the economic, safety and energy efficiency of the property.

In May 2019, the City purchased a site located at 1350 Shingle Creek Crossing for $680,000 to relocate Liquor Store #1 to the Project site. See Appendix VI for the site plan. This site is near the current location and offers high visibility with complementary retail stores such as Cub Foods and Walmart in close proximity to the store. The site includes previously completed parking lot spaces and site improvements.

The current minimum base rent on Liquor Store #1 is $141,528 annually. Additional rent based on sales volume and common area maintenance (CAM) expenses have averaged between approximately $85,000 to $95,000 annually. The total lease and CAM expenses for Liquor Store #1 in 2016, 2017, and 2018 have been approximately $239,000, $226,000, and $234,000, respectively. The estimated debt service on the new liquor store site located at 1350 Shingle Creek Crossing is projected to be approximately $222,000 annually. The agreed upon CAM expenses at the new location is $28,746 ($3 per constructed square-foot) annually with a maximum allowable annual increase of three percent.

Construction of the Project is scheduled to commence in late summer 2019. The total square footage of the new store is approximately 10,000 square feet. In conjunction with the construction of the Project, the City is planning to construct 3,600 square feet adjacent to the new store for additional tenant space (as defined in the Indenture, the "Excluded Portion"). See Appendix VII for the floor plan for the building. As of July 2019, no decision has been made as to the future use of the additional tenant space. The City is using existing resources to pay for all costs related to the Excluded Portion, including the property acquisition allocable to the future tenant space and construction of the physical structure. The Excluded Portion is not included in the leased property under the Ground Lease or the Lease and neither the Authority nor the Bond Registar, as the assignee of the Authority's rights under the Lease, will have any leasehold or other interest in the Excluded Portion.

Liquor Store #2 is located at 6930 Brooklyn Boulevard, which is approximately 1.9 miles from the current location of Liquor Store #1 at 5625 Xerxes Avenue and approximately 2.0 miles from the new location at 1350 Shingle Creek Crossing. The Project is not expected to have any impact on the sales of Liquor Store #2.

The City's Municipal Liquor Fund expects to provide coverage for the Series 2019B Bonds as shown below:

Fiscal Year Ended December 31	2016	2017	2018	3-Year Adjusted Average
Sales	$ 6,197,094	$ 6,495,300	$ 6,743,790	$ 6,478,728
Cost of Sales	(4,611,919)	(4,769,844)	(4,865,400)	(4,749,054)
Operating Revenues	$ 1,587,191	$ 1,725,456	$ 1,878,390	$ 1,729,674
Less Operating Expenditures	$ (1,465,790)	$ (1,434,340)	$ (1,613,573)	$ (1,271,567)
Add Back Depreciation	20,994	21,803	21,803	21,533
Add Investment Earnings	15,618	16,344	26,536	19,499
Add/(Less) Other Revenue/(Expense)	9,490	7,794	1,827	6,370
Net Revenues Available for Debt Service	$ 167,503	$ 337,057	$ 314,983	$ 505,509
Estimated Annual Debt Service on the Bonds	$ 222,000	$ 222,000	$ 222,000	$ 222,000
Estimated Debt Service Coverage	0.75	1.52	1.42	2.28

NOTE: In 2016, 2017, and 2018 the City paid approximately $239,000, $226,000, and $234,000, respectively, in rent based on sales volume and common area maintenance (CAM) expenses for Liquor Store #1. The operating expenditures in the above table include the rent paid each year for Liquor Store #1. As a result of the construction the Project, the City will no longer make rent payments on Liquor Store #1. The annual debt service payments on the Bonds is projected to be approximately $222,000. The City Council agreed upon annual CAM payments at the new location of Liquor Store #1 begin at $28,746 and will increase annually at a rate of 3.0%.

Sources: City's Comprehensive Annual Financial Reports.

SOURCES AND USES OF FUNDS

The composition of the Series 2019B Bonds is as follows:

Sources of Funds:	
Principal Amount	$_____
Reoffering Premium	_____
Total Sources of Funds	$_____
Uses of Funds:	
Deposit to the Project Fund	$_____
Costs of Issuance*	_____
Total Uses of Funds	$_____

* *Includes attorney fees, municipal advisor fees, paying agent fees, rating agency fees, real estate costs, and Underwriter's compensation.*

SECURITY AND FINANCING

Special, Limited Obligations

The Series 2019B Bonds are special limited obligations of the Authority payable solely from and secured by a pledge of Lease Payments to be made to the Authority by the City pursuant to the Lease. The Series 2019B Bonds are not general obligations of the Authority or the City and are not payable from any funds, revenues or assets of the Authority or any other political subdivision or governmental authority (except for the Authority's interest in the Lease and amounts held pursuant to the Indenture, including Lease Payments made by the City). The Series 2019B Bonds do not constitute a pledge of the full faith and credit or taxing power of the Authority or the City.

The Authority covenants and agrees, under the Indenture, that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Indenture and in each and every Series 2019B Bond executed, authenticated and delivered thereunder; will pay or cause to be paid, from Lease Payments by the City and other amounts received in respect of the Lease or available under the Indenture, the principal of, premium (if any) on and interest on every Series 2019B Bond issued under the Indenture on the dates, at the places and in the manner prescribed in the Series 2019B Bonds in any coin or currency which, on the respective dates of payment of such principal and interest, is legal tender for the payment of public and private debts; and will cause such amounts received to be deposited with the Trustee prior to the due date of each installment of principal and interest and prior to the maturity of any Series 2019B Bond in amounts sufficient to pay such installment; provided, however, that the principal of and interest on any Series 2019B Bond is not and shall not constitute an indebtedness of the Authority or the City within the meaning of any State constitutional provision, statutory or charter limitation and shall not be deemed to represent a debt or pledge the faith or credit of the Authority, the City, the State or any other political subdivision thereof or grant to the Holder of any Series 2019B Bond any right to have the Authority, the City, the State or any other political subdivision thereof levy any taxes or appropriate any funds to the payment of principal of or interest on the Series 2019B Bonds and the Series 2019B Bonds do not constitute or give rise to a change against the general credit or taxing powers of the Authority or the City or a pecuniary liability of the Authority or the City, such payment will be made solely and only out of the moneys received pursuant to the Lease and the funds and accounts established and maintained with the Trustee pursuant to the requirements of the Indenture and appropriated to the payment of the Series 2019B Bonds by the Indenture.

Pledge of Lease Payments; Right to Terminate the Lease

During the term of the Lease, the City is required to make semiannual Lease Payments scheduled to be sufficient to pay when due all scheduled payments of principal of and interest on the Series 2019B Bonds. Pursuant to the Indenture, the Authority will assign to the Trustee all the Authority's interest in the Lease (other than certain rights to receive indemnification and reimbursement of expenses). The City has covenanted in the Lease to include in its annual budget request to the City Council for each Fiscal Year during the term of the Lease moneys sufficient to pay all Lease Payments. The City intends to continue the Lease for its entire term and to pay all Lease Payments. However, the City Council has a right not to appropriate such amounts in any future Fiscal Year. The City shall have the right to terminate the Lease by adopting a resolution of non-appropriation for future Fiscal Years giving the Authority and the Trustee a written notice within five business days of the City's non-appropriation. The City has agreed to endeavor to give such notice in the event of a non-appropriation at least 60 days prior to the end of its then current Fiscal Year for the succeeding Fiscal Year. **ACCORDINGLY, THE LEASE DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY AND THE SERIES 2019B BONDS ARE NOT SECURED BY THE FULL FAITH AND CREDIT OR TAXING POWER OF THE CITY.**

Funds and Accounts

Pursuant to the provisions of the Indenture, the Authority assigns to the Trustee, and to any successor, all of the right, title and interest of the Authority in the Lease. There shall be established with the Trustee the Bond Fund, into which there shall be deposited (i) upon delivery of the Series 2019B Bonds all accrued interest, if any, received on the Series 2019B Bonds, (ii) the Lease Payments received from the City; and which shall be used for the payment of principal of, premium (if any) and interest on the Series 2019B Bonds when due and payable, (iii) all other moneys received by the Trustee from the City when accompanied by directions of the City that such moneys are to be paid into the Bond Fund or used for purposes for which moneys in the Bond Fund may be used, and (iv) all other moneys required to be deposited in the Bond Fund pursuant to any provision of the Indenture, the Ground Lease, the Lease or the Bond Resolution. For additional information see APPENDIX IV "Document Summaries" herein.

FUTURE FINANCING

With the exception of the issue discussed in the "CONCURRENT FINANCING" section herein, neither the Authority nor the City anticipates issuing any additional long-term debt for at least the next 90 days.

LITIGATION

Neither the Authority nor the City is aware of any threatened or pending litigation affecting the validity of the Series 2019B Bonds, the Resolution, the Indenture, the Lease Purchase Agreement, the Ground Lease, or the City's ability to meet its financial obligations.

LEGALITY

The Series 2019B Bonds are subject to approval as to certain matters by Kennedy & Graven, Chartered, of Minneapolis, Minnesota, as Bond Counsel. Bond Counsel has not participated in the preparation of this Official Statement and will not pass upon its accuracy, completeness, or sufficiency. Bond Counsel has not examined nor attempted to examine or verify, any of the financial or statistical statements, or data contained in this Official Statement and will express no opinion with respect thereto. A legal opinion in substantially the form set out in Appendix II herein will be delivered at closing.

TAX EXEMPTION

At closing Kennedy & Graven, Chartered, of Minneapolis, Minnesota, Bond Counsel for the Series 2019B Bonds, will render an opinion that, at the time of their issuance and delivery to the original purchaser, under present federal and State of Minnesota laws, regulations, rulings and decisions (which excludes any pending legislation which may have a retroactive effect), the interest on the Series 2019B Bonds is excluded from gross income for purposes of United States income tax and is excluded, to the same extent, from taxable net income of individuals, estates and trusts for Minnesota income purposes, and is not a preference item for purposes of computing the federal alternative minimum tax or the Minnesota alternative minimum tax imposed on individuals, trusts, and estates. Such interest is subject to Minnesota franchise taxes on corporations (including financial institutions) measured by income. No

opinion will be expressed by Kennedy & Graven regarding other federal or state tax consequences caused by the receipt or accrual of interest on the Series 2019B Bonds or arising with respect to ownership of the Series 2019B Bonds. Preservation of the exclusion of interest on the Series 2019B Bonds from federal gross income and state gross and taxable net income, however, depends upon compliance by the Authority and the City with all requirements of the Internal Revenue Code of 1986, as amended, (the "Code") that must be satisfied subsequent to the issuance of the Series 2019B Bonds in order that interest thereon be (or continue to be) excluded from federal gross income and state gross and taxable net income.

The Authority and the City will covenant to comply with requirements necessary under the Code to establish and maintain the Series 2019B Bonds as tax-exempt under Section 103 thereof, including without limitation, requirements relating to temporary periods for investments and limitations on amounts invested at a yield greater than the yield on the Series 2019B Bonds.

Original Issue Premium

The Series 2019B Bonds with a stated maturity of February 1, 20__ through February 1, 20__ (the "Premium Bonds"), have been sold at an amount in excess of the stated redemption price at maturity. Such excess of the purchase price of such Premium Bonds over the stated redemption price at maturity constitutes original issue premium with respect to such Premium Bonds. A purchaser of a Premium Bond must amortize any original issue premium over the term of such Premium Bond using constant yield principles, based on the purchaser's yield to maturity. As original issue premium is amortized, the purchaser's basis in such Premium Bond is reduced by a corresponding amount, resulting in an increase in the gain (or a decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed. Purchasers of any Premium Bond at a premium, whether at the time of initial issuance or subsequent thereto, should consult with their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Premium Bonds.

OTHER FEDERAL AND STATE TAX CONSIDERATIONS

Property and Casualty Insurance Companies

Property and casualty insurance companies are required to reduce the amount of their loss reserve deduction by the applicable percentage of the amount of tax-exempt interest received or accrued during the taxable year on certain obligations, including interest on the Series 2019B Bonds.

Foreign Insurance Companies

Foreign companies carrying on an insurance business in the United States are subject to a tax on income which is effectively connected with their conduct of any trade or business in the United States, including "net investment income." Net investment income includes tax-exempt interest such as interest on the Series 2019B Bonds.

Branch Profits Tax

A foreign corporation is subject to a branch profits tax imposed by Section 884 of the Code. A branch's earnings and profits may include tax-exempt municipal bond interest, such as interest on the Series 2019B Bonds.

Passive Investment Income of S Corporations

Passive investment income, including interest on the Series 2019B Bonds, may be subject to federal income taxation under Section 1375 of the Code for an S corporation that has Subchapter C earnings and profits at the close of the taxable year if more than a certain percentage of the gross receipts of such S corporation is passive investment income.

General

The preceding is not a comprehensive list of all federal or State tax consequences which may arise from the receipt or accrual of interest on the Series 2019B Bonds. The receipt or accrual of interest on the Series 2019B Bonds may otherwise affect the federal income tax (or Minnesota income tax or franchise tax) liability of the recipient based on the particular taxes to which the recipient is subject and the particular tax status of other items of income or deductions. All prospective purchasers of the Series 2019B Bonds are advised to consult their own tax advisors as to the tax consequences of, or tax considerations for, purchasing or holding the Series 2019B Bonds.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The Authority will designate the Series 2019B Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

RATING

S&P Global Ratings ("S&P"), 55 Water Street, New York, New York has assigned a rating of "_____" to the Series 2019B Bonds. The rating will reflect only the opinion of S&P. Any explanation of the significance of the rating may be obtained only from S&P.

There is no assurance that a rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of S&P, circumstances so warrant. A revision, suspension or withdrawal of the rating may have an adverse effect on the market price of the Series 2019B Bonds.

MUNICIPAL ADVISOR

The Authority and the City have retained Baker Tilly Municipal Advisors, LLC, of Saint Paul, Minnesota as municipal advisor in connection with certain aspects of the issuance of the Series 2019B Bonds. In preparing this Official Statement, Baker Tilly Municipal Advisors, LLC has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for this Official Statement. Baker Tilly Municipal Advisors, LLC has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. Baker Tilly Municipal Advisors, LLC is an independent advisory firm, registered as a municipal advisor, and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

CERTIFICATION

The Authority and the City have authorized the distribution of the Preliminary Official Statement for use in connection with the initial sale of the Series 2019B Bonds and a Final Official Statement following award of the Series 2019B Bonds. The Underwriter will be furnished with a certificate signed by the appropriate officers of the Authority and the City stating that the Authority and the City examined each document and that, as of the respective date of each and the date of such certificate, each document did not and does not contain any untrue statement of material fact or omit to state a material fact necessary, in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

UNDERWRITING

The Underwriter has agreed to purchase the Series 2019B Bonds for a purchase price of $_____ (representing the principal amount of $_____, plus a reoffering premium of $_____ and less the Underwriter's compensation of $_____). The public offering prices of all the Series 2019B Bonds may be changed from time to time by the Underwriter.

On April 1, 2019, Baird Financial Corporation, the parent company of Robert W. Baird & Co. Incorporated ("Baird"), acquired HL Financial Services, LLC, its subsidiaries, affiliates and assigns (collectively "Hilliard Lyons"). As a result of such common control, Baird and Hilliard Lyons are now affiliated. It is expected that Hilliard Lyons will merge with and into Baird later in 2019.

GENERAL AND FINANCIAL INFORMATION CONCERNING THE CITY

CITY PROPERTY VALUES

Trend of Values

Assessment/ Collection Year	Assessor's Estimated Market Value	Sales Ratio[(b)]	Economic Market Value[(c)]	Market Value Homestead Exclusion	Taxable Market Value	Adjusted Taxable Net Tax Capacity
2018/19	$2,234,245,900	89.6%	$2,499,069,716	$144,494,942	$2,081,039,958	$26,538,221
2017/18	2,054,586,200	94.5	2,178,582,990	154,116,646	1,892,639,554	25,120,921
2016/17	1,870,150,101	92.5	2,028,801,815	163,771,285	1,699,535,316	22,841,269
2015/16	1,778,802,900	93.7	1,898,823,284	166,968,111	1,605,660,789	21,570,419
2014/15	1,667,663,500	83.0	2,008,478,171	173,160,024	1,489,548,076	20,703,061

(b) *Sales Ratio Study for the year of assessment as posted by the Minnesota Department of Revenue, https://www.revenue.state.mn.us/economic-market-values.*

(c) *Economic market values for the year of assessment as posted by the Minnesota Department of Revenue, https://www.revenue.state.mn.us/economic-market-values.*

Source: Hennepin County, Minnesota, April 2019, except as otherwise noted.

2018/19 Adjusted Taxable Net Tax Capacity: $26,538,221

Real Estate:		
Residential Homestead	$13,248,557	51.10%
Commercial/Industrial, Railroad, and Public Utility	9,066,714	34.97
Residential Non-Homestead	3,197,885	12.33
Seasonal Recreational and Other	11,910	0.05
Personal Property	412,752	1.59
2018/19 Net Tax Capacity	$25,937,818	100.00%
Less: Captured Tax Increment	(3,873,826)	
Contribution to Fiscal Disparities	(3,196,246)	
Plus: Distribution from Fiscal Disparities	7,670,475	
2018/19 Adjusted Taxable Net Tax Capacity	$26,538,221	

Ten of the Largest Taxpayers in the City

Taxpayer	Type of Property	2018/19 Net Tax Capacity
The Luther Company LLC	Car Dealer	$ 806,610
The Molasky Group of COS	FBI Regional Headquarters	471,050
TLN Lanel Ltd Partnership	Apartments	259,088
Brookdale Corner LLC	Retail	253,010
Lake Point Apartments LLC	Apartments	252,150
G B Homes LLC	Custom Home Builders	251,863
Brooklyn Hotel Partners	Hotel	244,250
Medtronic Inc.	Industrial	227,630
Melrose Gates LLC	Apartments	217,888
Wal-Mart Stores Inc.	Retail	199,250
Total		$3,182,789*

* *Represents 12.0% of the City's 2018/19 adjusted taxable net tax capacity.*

ERROR! BOOKMARK NOT DEFINED.CITY INDEBTEDNESS

Legal Debt Limit and Debt Margin*

Legal Debt Limit (3% of 2018/19 Estimated Market Value)	$67,027,377
Less: Outstanding Debt Subject to Limit	0
Legal Debt Margin as of September 26, 2019	$67,027,377

* *The legal debt margin is referred to statutorily as the "Net Debt Limit" and may be increased by debt service funds and current revenues which are applicable to the payment of debt in the current fiscal year.*

NOTES: Certain types of debt are not subject to the legal debt limit.

General Obligation Special Assessment Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 9-26-19
12-19-13	$4,920,000	Improvements	2-1-2024	$ 2,030,000
7-9-15	5,240,000	Improvements	2-1-2026	3,720,000
10-13-16	1,820,000	Street Improvements	2-1-2027	1,495,000
6-8-17	3,735,000	Street Improvements	2-1-2028	3,385,000
7-10-18	3,835,000	Street Improvements	2-1-2029	3,835,000
9-12-19	4,050,000	Street Improvements (the Improvement Portion of the Series 2019A Bonds)	2-1-2030	4,050,000
Total				$18,515,000

General Obligation Tax Increment Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 9-26-19
12-19-13	$6,040,000	Taxable Tax Increment	2-1-2022	$4,670,000
7-9-15	6,600,000	Taxable Tax Increment Refunding	2-1-2020	1,730,000
12-8-16	2,075,000	Tax Increment Refunding	2-1-2029	2,075,000
12-8-16	1,725,000	Taxable Tax Increment Refunding	2-1-2023	1,175,000
Total				$9,650,000

General Obligation Utility Revenue Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 9-26-19
7-9-15	$1,660,000	Utility Revenue Refunding	2-1-2025	$ 1,025,000
10-13-16	3,605,000	Utility Revenue	2-1-2027	2,965,000
6-8-17	4,880,000	Utility Revenue	2-1-2028	4,220,000
7-10-18	4,350,000	Utility Revenue	2-1-2029	4,350,000
9-12-19	5,800,000	Utility Revenue (the Utility Portion of the Series 2019A Bonds)	2-1-2030	5,800,000
Total				$18,360,000

Revenue Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 9-26-19
1-20-15	$19,662,798	Taxable GO PFA Water Loan	8-20-2034	$15,773,445

Liquor Enterprise Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 9-26-19
9-26-19	$2,520,000	Lease Revenue (Municipal Liquor Store Project) (the Series 2019B Bonds)	2-1-2035	$2,520,000*

* *These bonds are being issued through means of an operating lease-purchase agreement between the City and the Authority. This issue is repaid with annual appropriation lease payments to be made by the City.*

Estimated Calendar Year Debt Service Payments Including the Series 2019A Bonds and the Series 2019B Bonds

	G.O. Special Assessment Debt		G.O. Tax Increment Debt	
Year	Principal	Principal & Interest[(a)]	Principal	Principal & Interest
2019 (at 9-26)	(Paid)	(Paid)	(Paid)	(Paid)
2020	$ 1,920,000	$2,386,589	$ 2,350,000	$ 2,585,345
2021	2,250,000	2,664,249	2,430,000	2,596,520
2022	2,285,000	2,635,990	2,490,000	2,582,680
2023	2,100,000	2,390,728	305,000	355,333
2024	2,130,000	2,362,775	330,000	373,525
2025	1,940,000	2,115,458	335,000	371,875
2026	1,960,000	2,079,493	340,000	369,700
2027	1,430,000	1,504,893	350,000	371,938
2028	1,240,000	1,283,780	355,000	368,563
2029	840,000	858,690	365,000	369,563
2030	420,000	424,200		
Total	$18,515,000[(b)]	$20,706,845	$9,650,000	$10,345,042

	G.O. Utility Revenue Debt		Revenue Debt	
Year	Principal	Principal & Interest[(c)]	Principal	Principal & Interest
2019 (at 9-26)	(Paid)	(Paid)	(Paid)	1,140,860
2020	$ 1,275,000	$ 1,730,252	$ 982,000	1,140,130
2021	1,755,000	2,177,493	992,000	1,140,310
2022	1,855,000	2,228,191	1,002,000	1,140,390
2023	1,890,000	2,211,904	1,012,000	1,140,370
2024	1,940,000	2,208,773	1,022,000	1,140,250
2025	1,995,000	2,208,184	1,033,000	1,141,030
2026	1,995,000	2,151,281	1,043,000	1,140,700
2027	2,055,000	2,160,011	1,053,000	1,140,270
2028	1,700,000	1,762,359	1,064,000	1,140,740
2029	1,200,000	1,228,260	1,075,000	1,141,100
2030	700,000	707,000	1,085,000	1,140,350
2031			1,096,000	1,140,500
2032			1,107,000	1,140,540
2033			1,118,000	1,140,470
2034			1,089,445	1,100,735
Total	$18,360,000[(d)]	$20,773,708	$15,773,445[(e)]	$17,067,885

(a) *Includes the Improvement Portion of the Series 2019A Bonds at an assumed average annual interest rate of 1.76%.*

(b) *97.7% of this debt will be retired within ten years.*

(c) *Includes the Utility Portion of the Series 2019A Bonds at an assumed average annual interest rate of 1.77%.*

(d) *96.2% of this debt will be retired within ten years.*

(e) *65.2% of this debt will be retired within ten years.*

Estimated Calendar Year Debt Service Payments Including the Series 2019A Bonds and the Series 2019B Bonds (Continued)

	Liquor Enterprise Debt	
Year	Principal	Principal & Interest[(a)]
2019 (at 9-26)	-0-	-0-
2020	-0-	$ 82,010
2021	$ 95,000	185,650
2022	135,000	221,050
2023	140,000	220,550
2024	145,000	219,850
2025	150,000	218,950
2026	155,000	217,850
2027	160,000	216,550
2028	170,000	219,950
2029	175,000	218,050
2030	180,000	215,950
2031	190,000	218,550
2032	195,000	216,825
2033	205,000	220,825
2034	210,000	219,600
2035	215,000	218,225
Total	$2,520,000[(b)]	$3,330,435

[(a)] *Includes the Series 2019B Bonds at an assumed average annual interest rate of 3.50%.*

[(b)] *52.6% of this debt will be retired within ten years.*

Other Debt Obligations

Operating Leases

The City has leased a portion of the police second floor expansion area to the Local Government Information Systems Association (LOGIS) as a backup computer facility. The lease has a term of ten years, commencing on January 12, 2016 and calls for monthly lease payments based on square-footage. Lease revenue for the year ended December 31, 2018 was $12,000. Future minimum lease revenues under the current agreement is as follows:

Year Ending December 31	
2019	$12,000
2020	12,000
2021	12,000
2022	12,000
2023	12,000
2024-2025	24,000
Total	$84,000

The City has entered into two operating leases for its municipal liquor stores. Rent expenses for the fiscal year ended December 31, 2018 were $327,672. The following is a schedule by years of future minimum rental payments required under these operating leases as of December 31, 2018:

Year Ending December 31	
2019	$234,888
2020	164,124
2021	93,360
2022	93,360
2023	93,360
Total	$679,092

The City has entered into two operating leases for golf carts used at Centerbrook Golf Course. The leases were originally signed in 2016 with four year terms. Total rental expenses under the lease agreements for the year ended December 31, 2018 was $12,174. Future minimum base rent payments under the current agreement are as follows:

Year Ending December 31	
2019	$8,742

Overlapping Debt

Taxing Unit[(a)]	2018/19 Adjusted Taxable Net Tax Capacity	Est. G.O. Debt As of 9-26-19[(b)]	Debt Applicable to Tax Capacity in City Percent	Debt Applicable to Tax Capacity in City Amount
Hennepin County	$1,979,015,644	$1,047,495,000	1.3%	$13,617,435
Hennepin County Regional Railroad	1,979,015,644	109,865,000	1.3	1,428,245
Three Rivers Park District	1,392,585,502	51,690,000	1.9	982,110
I.S.D. No. 11 (Anoka-Hennepin)	54,705,676	176,075,000	6.7	11,797,025
I.S.D. No. 279 (Osseo)	193,705,139	164,220,000	4.5	7,389,900
I.S.D. No. 281 (Robbinsdale)	114,722,950	184,250,459	5.1	9,396,773
I.S.D. No. 286 (Brooklyn Center)	8,375,567	49,605,000	100.0	49,605,000
Metropolitan Council	4,281,620,797	5,735,000[(c)]	0.6	34,410
Metropolitan Transit	3,433,535,041	262,085,000	0.8	2,096,680
Total				$96,347,578

(a) *Only those units with outstanding general obligation debt are shown here.*

(b) *Excludes general obligation tax and aid anticipation certificates and revenue-supported debt.*

(c) *Excludes general obligation debt supported by wastewater revenues and housing rental payments. Includes certificates of participation.*

Debt Ratios*

	G.O. Direct Debt	G.O. Direct & Overlapping Debt
To 2018/19 Preliminary Estimated Market Value ($2,234,245,900)	1.26%	5.57%
Per Capita - (32,299 – 2018 Metropolitan Council Estimate)	$872	$3,855

* *Excludes general obligation utility revenue debt, revenue debt, liquor enterprise debt, and other debt obligations.*

CITY TAX RATES, LEVIES AND COLLECTIONS

Tax Capacity Rates for a Resident in Independent School District No. 286 (Brooklyn Center)

	2014/15	2015/16	2016/17	2017/18	2018/19
Hennepin County	46.398%	45.356%	44.087%	42.808%	41.861%
City of Brooklyn Center	71.256	73.292	71.904	68.432	71.860
I.S.D. No. 286 (Brooklyn Center)[(a)]	52.984	54.573	40.438	46.098	50.075
Special Districts[(b)]	9.314	9.091	8.822	8.516	8.015
Total	179.952%	182.312%	165.251%	165.854%	171.811%

(a) *In addition, Independent School District No. 286 (Brooklyn Center) has a 2018/19 market value tax rate of 0.16424% spread across the market value of property in support of an excess operating levy.*

(b) *Special districts include Metropolitan Council, Metropolitan Transit, Metropolitan Mosquito Control, Hennepin Park Museum, Hennepin County Regional Rail Authority, Three Rivers Park District, and the Hennepin County Housing and Redevelopment Authority.*

NOTE: This table includes only net tax capacity-based rates. Certain other tax rates are based on market value.

Tax Levies and Collections

		Collected During Collection Year		Collected and/or Abated as of 12-31-18	
Levy/Collect	Net Levy*	Amount	Percent	Amount	Percent
2018/19	$18,807,475	(In Process of Collection)			
2017/18	17,415,844	$17,320,084	99.5%	$17,320,084	99.5%
2016/17	16,455,160	16,342,413	99.3	16,408,486	99.7
2015/16	15,577,940	15,464,594	99.3	15,533,907	99.7
2014/15	14,988,762	14,770,223	98.5	14,988,762	100.0

* *The net levy excludes state aid for property tax relief and fiscal disparities, if applicable. The net levy is the basis for computing tax capacity rates.*

FUNDS ON HAND
As of May 31, 2019

General Fund	$ 4,728,575
Special Revenue Funds	4,570,050
Debt Service Funds	1,278,558
Capital Project Funds	12,778,140
Enterprise Fund	17,346,090
Internal Service	6,323,505
Total Cash and Investments	$47,024,918

INVESTMENTS

The City's investment policy, last revised in April 2016, has the objectives of preserving safety of principal, retaining sufficient liquidity, providing a market rate of return, and yielding stable earnings on invested City funds.

Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Safety of principal is the foremost objective.

Liquidity and yield are also important considerations. It is essential that the investment portfolio remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

The investment portfolio of the City shall be designed to attain a market-average rate of return during budgetary and economic cycles, taking into account the City's investment risk constraints and liquidity needs. Return on investment is of least importance compared to the objectives for safety and liquidity. Securities shall be held to maturity with the exceptions of meeting the liquidity needs of the portfolio and minimizing loss of principal for a security of declining credit.

Minnesota Statutes, Chapter 118A, authorizes and defines an investment program for municipal governments. The City may invest in the following instruments allowed by Minnesota Statutes:

a. United States Securities: including bonds, notes, bills or other securities which are direct obligations of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, which carry the full faith and credit of the United States.

b. Commercial paper issued by U.S. corporations or their Canadian subsidiaries that is rated in the highest quality by at least two nationally recognized rating agencies and matures in 90 days or less.

c. Certificates of Deposit (Time Deposits) that are fully insured by the Federal Deposit Insurance Corporation.

d. Repurchase agreements and reverse repurchase agreements may be entered into with financial institutions identified by Minnesota Statutes, Chapter 118A. Reverse repurchase agreements may only be entered into for a period of 90 days or less and only to meet short-term cash flow needs.

e. Securities lending agreements may be entered into with financial institutions identified by Minnesota Statutes, Chapter 118A.

f. Minnesota joint powers investment trusts may be entered into with trusts identified by Minnesota Statutes, Chapter 118A

g. Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of short-term securities permitted by Minnesota Statutes, Chapter 118A.

h. Bonds of the City of Brooklyn Center issued in prior years may be redeemed at current market price, which may include a premium, prior to maturity using surplus funds of the debt service fund set up for that issue. Such repurchased bonds shall be canceled and removed from the obligation of the fund.

i. General obligation bonds of state or local governments rated A or better by a national bond rating services.

j. Revenue obligations of state or local governments rated AA or better by a national bond rating agency.

k. The Minnesota Municipal Money Market Fund (4M) that was established by the League of Minnesota Cities to address the investment needs of the Minnesota cities.

Authority to manage the investment program is vested in the City Manager and City Treasurer/Director of Fiscal and Support Services, with the City Treasurer responsible for establishing and maintaining an internal control structure to provide reasonable assurance that the objectives of the investment policy are met.

As of May 31, 2019, the City had $43,173,090 invested, with a market value of $43,089,725 (99.8%). The market value of the City's investments includes the following: $15,093,370 (35.0%) in government agency securities; $24,998,844 (58.3%) in certificates of deposit; $193,681 (0.5%) in money market accounts and $2,803,831 (6.5%) in municipal bonds. All of the investments in the City's portfolio mature within 72 months or less. The longest investment held by the City is currently scheduled to mature in May 2025.

GENERAL INFORMATION CONCERNING THE CITY

The City is a northern suburb of the Minneapolis/Saint Paul metropolitan area, adjacent to the City of Minneapolis. The City is wholly within Hennepin County and encompasses an area of approximately 8.5 square miles (5,440 acres). The Mississippi River forms the City's eastern boundary.

Population

The City's population trend is shown below.

	Population	Percent Change
2018 Metropolitan Council Estimate	32,299	7.3%
2010 U.S. Census	30,104	3.2
2000 U.S. Census	29,172	1.0
1990 U.S. Census	28,887	(7.5)
1980 U.S. Census	31,230	--

Sources: *Metropolitan Council, https://metrocouncil.org and United States Census Bureau, http://www.census.gov/.*

The City's population by age group for the past five years is as follows:

Data Year/ Report Year	0-17	18-34	35-64	65 and Over
2018/19	9,050	7,607	11,312	3,938
2017/18	8,970	7,568	11,254	3,896
2016/17	8,956	7,650	11,255	3,879
2015/16	8,906	7,664	11,211	3,847
2014/15	8,786	7,734	11,171	3,811

Sources: Environics Analytics, Claritas, Inc. and The Nielsen Company.

Transportation

Major transportation routes in and through the City, including Interstate Highways 94 and 694 and State Highways 100 and 252, have provided a continued impetus for the development of the City's commercial tax base.

Major Employers

Employer	Product/Service	Approximate Number of Employees
Hennepin County	Government	9,300[a]
Promeon, Inc. (a division of Medtronic)	Medical devices	1,100[b]
City of Brooklyn Center	Government	437[d]
Independent School District No. 286 (Brooklyn Center)	Education	436
Walmart	Retail	278[d][f]
Caribou Coffee (Headquarters)	Coffee retailer	225[f]
University of Minnesota Physicians	Healthcare	212[f]
Maranatha Care Center, Presbyterian Homes	Continuing care/retirement community	200[d][f]
Luther Auto Group (three locations)	Automobile dealership	196[c][d][f]
TCR Corporation	Metal components	150[e]
Cass Screw Machine Products	Screw machine parts	124[f]
Cub Foods	Grocery	125[f]
Health Partners-Brooklyn Center	Medical and dental clinic	97[f]

[a] *Not all employees are located within the City.*

[b] *As of August 2016, Promeon no longer releases this information.*

[c] *In past surveys, Luther Brookdale Chevrolet and Luther Brookdale Buick GMC were each counted, however these businesses share a location and this number includes all employess at this shared location.*

[d] *Includes full-time and part-time employees.*

[e] *As of April 2017, most recent information available.*

[f] *As of May 2018, most recent information available.*

Source: This does not purport to be a comprehensive list and is based on a July 2019 best efforts telephone survey of individual employers. Some employers do not respond to inquiries.

Labor Force Data

	Annual Average				May
	2015	2016	2017	2018	2019
Labor Force:					
City of Brooklyn Center	15,153	15,280	15,349	15,428	15,461
Hennepin County	676,722	687,472	698,548	703,310	705,681
Minneapolis-Saint Paul MSA	1,916,011	1,938,642	1,979,780	2,016,208	2,005,534
State of Minnesota	2,997,748	3,033,406	3,057,014	3,070,223	3,097,429
Unemployment Rate:					
City of Brooklyn Center	4.5%	4.3%	3.9%	3.3%	3.3%
Hennepin County	3.3	3.3	3.0	2.5	2.7
Minneapolis-Saint Paul MSA	3.5	3.6	3.3	2.7	2.7
State of Minnesota	2.9	3.4	3.9	3.7	2.9

Source: Minnesota Department of Employment and Economic Development, https://apps.deed.state.mn.us/lmi/laus. 2019 data are preliminary.

Retail Sales and Effective Buying Income (EBI)

City of Brooklyn Center

Data Year/ Report Year	Total Retail Sales ($000)	Total EBI ($000)	Median Household EBI
2018/19	$650,264	$630,186	$46,331
2017/18	571,339	582,953	43,718
2016/17	623,655	545,667	40,885
2015/16	561,219	550,267	41,469
2014/15	505,332	531,155	40,188

Hennepin County

Data Year/ Report Year	Total Retail Sales ($000)	Total EBI ($000)	Median Household EBI
2018/19	$35,994,743	$46,545,289	$63,176
2017/18	32,491,357	43,417,597	60,957
2016/17	33,502,543	40,956,757	57,190
2015/16	26,004,909	38,495,032	55,756
2014/15	21,713,206	36,578,500	52,644

The 2018/19 Median Household EBI for the State of Minnesota was $58,776. The 2018/19 Median Household EBI for the United States was $52,468.

Sources: Environics Analytics, Claritas, Inc. and The Nielsen Company.

Permits Issued by the City

Year	Total Permits		Commercial Permits		Residential Permits	
	Number	Value	Number	Value	Number	Value
2019 (to 5-31)	1,200	$27,895,603	163	$ 19,780,258	1,037	$ 8,115,345
2018	3,181	77,347,546	481	63,424,938	2,700	13,922,608
2017	5,758	59,017,940	3,042	41,405,474	2,716	17,612,466
2016	4,745	71,232,941	2,547	48,819,051	2,198	22,413,890
2015	4,834	51,457,015	2,655	34,769,633	2,179	16,687,382
2014	5,251	125,369,473	2,844	109,829,770	2,407	15,539,703
2013	7,309	67,228,061	3,874	42,049,442	3,435	25,178,619
2012	5,188	31,227,915	2,811	21,729,528	2,377	9,498,387
2011	4,852	29,571,594	2,556	21,424,919	2,296	8,146,675
2010	5,198	76,149,738	2,739	66,911,018	2,459	9,238,720

Includes all permits except for temporary land use and vacant building registrations. Classification is based on zoning type.

Source: City of Brooklyn Center.

Growth and Development

Successful redevelopment continues to be the key to commercial and industrial tax base growth within the City, including the following:

The southern portion of the 80 acre Opportunity Site, comprises 46 acres planned for a mixed use commercial, office and residential redevelopment.

- Since 2008 the EDA has acquired approximately 35 acres of land within the Opportunity Site. This includes the former Brookdale Square shopping center site and former Brookdale Ford dealership property.
- In 2016, the City Council approved the creation of a 25-year tax increment redevelopment district and completed the soil corrections and final demolition of the former Brookdale Ford building, floor lifts, and underground LP tank.
- The EDA entered into a Preliminary Development Agreement (PDA) with Alatus, LLC, a Minneapolis-based developer, in April 2018. The PDA identified Alatus as the master developer to plan the site and initiate a Phase I development within the EDA-owned portion of the site. Over the course of the past year, Alatus has started the master planning work, completed environmental and geotechnical analysis, initiated a public engagement process, identified a movie theater and hotel tenant, and engaged a number of other potential users of the site.
- In May 2018, the census tract (27053020200) that the Opportunity Site is located within was selected by the Treasury Department as a federally designated Opportunity Zone, which opens up investment opportunities for the site.
- Alatus is in predevelopment on a Phase I of the development, which they intend to move ahead with in 2019. Phase I would include 350 units of market-rate multi-family housing, and may include a commercial component either within the building or on an adjacent site.
- The City has engaged a consultant to update the 2006 Opportunity Site Master Plan, which encompasses the entire 80-acre area. As part of that scope, the City will be taking the lead on the master planning of the EDA-owned portion of the site as well, in cooperation with Alatus. The timing is being structured to allow Alatus to move forward with a Phase I in conjunction with the creation of a master plan. The master planning will include identifying a land use and transportation framework for the site, with a more refined focus on the southern portion of the site, as well as identification of public infrastructure needs such as parks and open space, storm water, streets, and utilities.

Additional development activities in 2018/19 include:

- TOPGOLF USA purchased the existing 85,240 square foot Regal Theater to allow for the construction of a 65,000 square-foot commercial recreational/entertainment development. The three-level facility opened in September 2018 and includes 103 hitting bays, restaurant and lounge, a 3,000 square-foot roof terrace, a 3,000 square-foot event area and a 220-yard driving range with 11 outfield targets.
- In January 2019, HOM Furniture opened in the renovated former Kohl's building. The project includes a 24,822 addition, which is not yet complete but anticipated to open in the summer of 2019. The project also features the future development of a three-story 32,800 square-foot medical center/office building.
- In fall 2018, a new 4,000 square-foot Bank of America opened in the City.
- On April 23, 2018 Medtronic received approval for a substantial renovation and 13,427 square-foot expansion of their dry room facilities, which will allow for production of their lithium ion batteries for pacemakers. This expansion is currently underway and is anticipated to be completed in the summer of 2019.
- On November 13, 2017, Luther Automotive received approval for a new 35,424 square-foot Mazda Mitsubishi dealership. The project is currently under construction and is anticipated to open in the summer of 2019.
- An 82-room Fairfield Inn and Suites on an EDA-owned site located at 6250 Earle Brown Drive is currently under construction, and is anticipated to open during fall of 2019.
- In July 2018, the City Council approved the conversion of a vacant former senior assisted-living facility into market-rate apartments. The project, called LUX Apartments, includes 143 fully-renovated units, community space, as well as the installation of additional parking. The project began renting over the winter during construction, and is now complete and fully-leased.
- In July 2019, Casey's Gas Station and Convenience Stores received approval for a new 4,600 square-foot store at 2101 Freeway Boulevard. The project has begun construction in spring of 2019.
- The City has entered into a Preliminary Development Agreement with Centra Homes for 30 single-family homes on an 8-acre EDA-owned site at Highway 252 and 69th Avenue North. Centra anticipates applying for a preliminary and final plat in May and commencing construction in the summer of 2019.
- The City has received an application for land use approval from Real Estate Equities for a 267-unit multi-family housing project at 5801 Xerxes Avenue North. The project would include a mix of affordable independent senior units and workforce units. The application was approved by the City Council in June 2019.
- The City has entered into a Preliminary Development Agreement with Coalition Development for an 80-unit multi-family apartment on the EDA-owned properties at Brooklyn Boulevard and 61st Avenue North. The developer anticipates coming forward with a request for approval in summer 2019.

Financial Institutions*

City residents are served by branch facilities of Wells Fargo Bank, National Association; Bremer Bank, National Association; Bank of America; and TCF National Bank, as well as numerous credit unions.

* *This does not purport to be a comprehensive list.*

Source: Federal Deposit Insurance Corporation, https://research.fdic.gov/bankfind/.

Health Care Services

The following is a summary of inpatient health care facilities located in and around the City:

Facility	Location	No. of Beds
Maranatha Care Center	City of Brooklyn Center	97 Nursing Home
Living Well Lyndale	City of Brooklyn Center	8 Supervised Living
MTAI Brooklyn Center	City of Brooklyn Center	6 Supervised Living
North Memorial Medical Center	City of Robbinsdale	518 Hospital
		42 Infant Bassinets

In addition, senior living options including assisted living and memory support are also provided through The Sanctuary at Brooklyn Center.

Source: Minnesota Department of Health, http://www.health.state.mn.us/.

Education

Public Education

The following districts serve the residents of the City:

School	Location	Grades	2018/19 Enrollment
ISD No. 11 (Anoka-Hennepin)	City of Anoka	PK-12	38,802
ISD No. 279 (Osseo)	City of Osseo	PK-12	21,472
ISD No. 281 (Robbinsdale)	City of Robbinsdale	PK-12	12,546
ISD No. 286 (Brooklyn Center)	City of Brooklyn Center	PK-12	2,492

Source: Minnesota Department of Education, www.education.state.mn.us.

The City's taxable net tax capacity is attributable to each of the four school districts as follows:

	Portion of 2018/19 Taxable Net Tax Capacity Located in the City	% of Total
ISD No. 279 (Osseo)	$ 8,680,671	32.7%
ISD No. 286 (Brooklyn Center)*	8,375,567	31.6
ISD No. 281 (Robbinsdale)	5,824,469	21.9
ISD No. 11 (Anoka-Hennepin)	3,657,514	13.8
Total	$26,538,221	100.0%

* *Located entirely within the City.*

Non-Public Education

City residents are also served by the following private schools:

School	Location	Grades	2018/19 Enrollment
King of Grace Lutheran School	City of Golden Valley	K-8	169
Sacred Heart Catholic School	City of Robbinsdale	K-8	157
St. Raphael Catholic School	City of Crystal	K-8	128
St. Alphonsus	City of Brooklyn Center	K-8	154
RiverTree School	City of Crystal	K-12	139
Holy Trinity Lutheran School	City of New Hope	K-8	60

Source: Minnesota Department of Education, www.education.state.mn.us.

Post-Secondary Education

City residents have access to various colleges and universities located throughout the Minneapolis/St. Paul metropolitan area.

GOVERNMENTAL ORGANIZATION AND SERVICES

Organization

The City has been a municipal corporation since 1911 and is governed under a Home Rule Charter adopted in 1966 and subsequently amended. The City has a Council-Manager form of government and the Mayor and four Council Members are elected to serve overlapping four-year terms. The following individuals comprise the current City Council:

		Expiration of Term
Mike Elliott	Mayor	December 31, 2022
Marquita Butler	Council Member	December 31, 2020
April Graves	Council Member	December 31, 2022
Kris Lawrence-Anderson	Council Member	December 31, 2020
Dan Ryan	Council Member	December 31, 2022

The City Manager, Mr. Cornelius L. Boganey, is responsible for the administration of Council policy and the daily management of the City. The Manager is appointed by the Council and serves at its discretion. Mr. Boganey has served the City in this position since June 2006. Prior to that, Mr. Boganey served as the City's Assistant Manager since March 2003. He has also served as City Manager in the cities of Brooklyn Park, Minnesota and Port Arthur, Texas, and as Assistant City Manager in the City of Kalamazoo, Michigan.

The Director of Fiscal and Support Services, Mr. Nathan Reinhardt, is responsible for directing the City's financial operations, including preparation of the comprehensive annual financial report and interim reports, and the investment of City funds. Mr. Reinhardt has served as the City's Finance Director since November 2013. Previously, Mr. Reinhardt served as Finance Director for the City of Waseca, Minnesota.

The City has 166 regular full-time and 271 seasonal full- and part-time employees.

Services

Forty-nine full-time sworn police officers and a support staff of 12 provide protective services in the City. Fire protection is provided by one full-time Chief, one full-time Deputy Chief, one full-time fire inspector/educator, and a 32-member volunteer force. The City has two fire stations and a class 4 insurance rating.

All areas of the City are serviced by municipal water and sewer systems, with exception to one property located at 5306 Perry Avenue North. Water is supplied by nine wells and storage is provided by three elevated tanks with a combined total capacity of 3.0 million gallons. The municipal water system has a pumping capacity of 16.4 million gallons per day (mgd). In 2016, the City brought a new water treatment plant online, capable of filtering 10 mgd. When combined with the capacity of 1.7 mdg from Well #2, the City now has a total finished water capacity of 11.7 mgd. The average daily water demand is estimated to be 2.9 mgd and peak demand is estimated to be 9.7 mgd. Water connections totaled 8,965 as of May 31, 2019.

Although the City owns and maintains its own sanitary and storm sewer collection systems, wastewater treatment facilities are owned and operated by the Metropolitan Council Environmental Services (MCES). The City is billed an annual service charge by MCES, which is adjusted each year based on the prior years' actual usage. The City had 8,798 sewer connections as of May 31, 2019.

Labor Contracts

The status of labor contracts in the City are as follows:

Bargaining Unit	No. of Employees	Expiration Date of Current Contract
IUOE Local 49	26	December 31, 2021
LELS Local 82	35	December 31, 2019
LELS Local 86	10	December 31, 2021
Subtotal	71	
Non-unionized employees	316	
Total employees	387	

Employee Pensions

All full-time employees and certain part-time employees of the City are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF), which are cost-sharing multiple-employer retirement plans. GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated members are covered by Social Security and Basic members are not. All new members must participate in the Coordinated Plan. All police officers, fire fighters and peace officers who qualify for membership by statute are covered by PEPFF. The City's contributions to GERF and PEPFF are equal to the contractually required contributions for each year as set by State Statute, and are as follows for the past five years:

	GERF	PEPFF
2018	$612,983	$761,952
2017	572,442	720,865
2016	550,846	689,601
2015	564,168	687,935
2014	531,385	600,402

For more information regarding the liability of the City with respect to its employees, please reference "Note 4. Defined Benefit Pension Plan – City Employees" of the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018, an excerpt of which is included as Appendix V of this Official Statement.

Multiple-Employer Defined Benefit Pension

City employees belonging to the International Union of Operating Engineers (IUOE) are participants in a multiple-employer defined benefit pension plan, the Central Pension Fund of the International Union of Operating Engineers and Participating Employers (CPF), administered by the Board of Trustees of the Central Pension Fund. The plan is a cost-sharing pension plan that is not a state or local governmental pension plan, is used to provide defined benefit pensions to employers that are not state or local governmental employers, and has no predominate state or local government employer. The plan issues a publicly available financial report located on their website at www.cpfiuoe.org.

The City has 22 employees who are covered by this pension plan. The plan provides benefits such as monthly retirement income, special and early retirement benefits, post-retirement surviving spouse benefits, pre-retirement surviving spouse benefits, and disability benefits.

The City's contributions to the plan are pursuant to a collective bargaining agreement with the IUOE which expires December 31, 2018. The required contribution rate is $0.96 per hour, which is applied to all compensated hours, and capped at $5,000 per year. With regards to withdrawal from the pension plan, the parties agree that the amount that would otherwise be paid in salary or wages will be contributed instead to the CPF as pre-tax employer contributions.

The City's contributions to IOUE for the past five years are as follows:

	IUOE
2018	$51,152
2017	50,782
2016	51,410
2015	51,699
2014	51,868

For more information regarding the liability of the City with respect to its employees, please reference "Note 6. Multiple-Employer Defined Benefit Pension Plan" of the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018, an excerpt of which is included as Appendix V of this Official Statement.

PEDCP

Five Council members of the City are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by PERA. The PEDCP is a tax-qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until the time of withdrawal. Plan benefits depend solely on the amounts contributed to the plan plus investment earnings less administrative expenses. An eligible elected official who chooses to participate in the plan contributes 5% of their salary, which is matched by the elected official's employer. PERA receives 2% of employer contributions and 0.025% of the assets in each member's account annually for administering the plan.

The City's contributions to PEDCP for the past five years are as follows:

	PEDCP
2018	$944
2017	925
2016	907
2015	907

For more information regarding the liability of the City with respect to its employees, please reference "Note 7. Defined Contribution Plan" of the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018, an excerpt of which is included as Appendix V of this Official Statement.

City Firefighter's Association

The City contributes to the Brooklyn Center Fire Department Relief Association (the "Association"), which is the administrator of a single employer, public employee defined benefit retirement system to provide a retirement plan (the "Plan") to volunteer firefighters of the City who are members of the Association. The Association is organized and operates under the provisions of the Minnesota State Statutes 424A, and provides benefits in accordance with those statutes.

The Association provides retirement benefits to members and survivors upon death of eligible members. Benefits are established by the Association and approved by the City Council under the applicable statutes. The defined retirement benefits are based on a member's years of service. Vesting begins after the tenth year of service with a 60% benefit increasing to 100% after the 20th year of service.

Full benefits are available to members after 20 years of service and having attained the age of 50. The current benefit available is a lump sum distribution of $7,600 per year of service. Vested, terminated members who are entitled to benefits but are not yet receiving them are bound by the provisions in effect at the time of termination of membership.

The City levies property taxes at the direction of and for the benefit of this plan and passes through state aids allocated to the plan, all in accordance with State statutes. The minimum tax levy obligation is the financial contribution requirement for the year less anticipated state aids.

The City's contributions to the Firefighter's Association for the past five years are as follows:

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
December 31, 2018	$ 85,089	181%	-0-
December 31, 2017	71,203	206	-0-
December 31, 2016	101,453	141	-0-
December 31, 2015	101,453	156	-0-
December 31, 2014	108,883	129	-0-

Funded status of the Association as reported to-date:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Assets in Excess of Unfunded Accrued Liability	Funded Ratio
January 1, 2017	$3,673,474	$3,036,210	$637,264	121.0%
January 1, 2015	3,508,210	3,084,717	423,493	113.7
January 1, 2013	3,282,317	3,279,231	3,086	100.1

For more information regarding the liability of the City with respect to its employees, please reference "Note 5. Defined Benefit Pension Plan – Single Employer – Fire Relief Association" of the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018, an excerpt of which is included as Appendix V of this Official Statement.

Sources: City's Comprehensive Annual Financial Reports.

GASB 68

The Government Accounting Standards Board (GASB) has issued Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68) and related GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment to GASB 68, which revised existing standards for measuring and reporting pension liabilities for pension plans provided to City employees and require recognition of a liability equal to the City's proportionate share of net pension liability, which is measured as the total pension liability less the amount of the pension plan's fiduciary net position.

The City's proportionate shares of the pension costs and the City's net pension liability for GERF and PEPFF for the past four years are as follows:

	Proportionate Share of Pension Costs	Net Pension Liability	Proportionate Share of Pension Costs	Net Pension Liability
2018	0.1194%	$6,623,822	0.4330%	$ 4,615,334
2017	0.1201	7,667,105	0.4410	5,954,026
2016	0.1172	9,516,059	0.4290	17,216,516
2015	0.1243	6,441,872	0.4460	5,067,604

For more information regarding GASB 68 with respect to the City, please reference "Note 4. Defined Benefit Pension Plan" of the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018, an excerpt of which is included as Appendix V of this Official Statement.

Additional and detailed information about GERF's net position is available in a separately-issued PERA financial report, which may be obtained at www.mnpera.org; by writing to PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088; or by calling 1-800-652-9026.

Sources: City's Comprehensive Annual Financial Reports.

Other Postemployment Benefits

The Government Accounting Standards Board (GASB) has issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASB 75), establishing new accounting and financial reporting requirements related to post-employment healthcare and other non-pension benefits (referred to as Other Postemployment Benefits or "OPEB"). The implementation of GASB 75 required the restatement of the City's beginning net position for the fiscal year ended December 31, 2018. Please see "Note 8. Other Post-Employment Benefits (OPEB) Plan" in the City's Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018 for this calculation.

The City provides continued health insurance coverage for retired City employees who, on the date of their retirement, meet PERA or PEPFF eligibility requirements for a full retirement annuity, without reduction of benefits because of age, disability, or any other reason. This coverage does not extend to the retiree's family, except that if the retiree desires to continue additional coverage, the cost in excess of the single premium must be paid by the retiree. This benefit began in 1986 and was subsequently discontinued for employees hired after January 31, 1992.

The City currently finances the plan on a pay-as-you-go basis. During 2018, the City expended $130,222 for these benefits. The following employees were covered by the benefit terms as of the latest actuarial valuation:

Retirees and beneficiaries currently receiving benefit payments	12
Active employees	150
Total	162

The City's net OPEB liability was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2018. Components of the City's OPEB liability and related ratios for the fiscal year ended December 31, 2018 are as follows:

Service cost	$ 130,096
Interest	71,659
Differences between expected and actual experience	73,751
Changes of assumptions	51,929
Benefit payments	(156,791)
Net change in total OPEB liability	$ 170,644
Total OPEB liability – beginning of year	1,844,035
Total OPEB liability – end of year	$2,014,679

Funded status of the City's OPEB as reported in the actuarial reports received to-date:

Actuarial Valuation Date	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2018	$2,014,679	$2,014,679	$10,800,000	18.65%
January 1, 2016	1,901,745	1,901,745	10,471,960	18.16
January 1, 2014	2,574,529	2,574,529	9,934,960	25.91
January 1, 2012	2,620,367	2,620,367	9,472,237	27.66

For more information regarding GASB 75 with respect to the City, please reference "Note 8. Other Post-Employment Benefits" of the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018, an excerpt of which is included as Appendix V of this Official Statement.

Sources: City's Comprehensive Annual Financial Reports.

General Fund Budget Summary

	2018 Budget	2018 Actual	2019 Budget
January 1 Fund Balance	$11,355,203	$11,355,203	$11,563,825
Revenues:			
Taxes	$17,339,417	$17,361,854	$18,380,591
Licenses and Permits	776,625	1,209,029	861,315
Intergovernmental	1,594,819	1,658,391	1,634,150
Charges for Services	922,500	861,965	834,650
Fines & Forfeits	231,500	273,507	231,500
Special Assessments	100,000	51,075	85,000
Investment Earnings	-	88,534	93,663
Transfers In	150,000	150,000	150,000
Miscellaneous	231,175	179,178	145,700
Total Revenues	$21,346,036	$21,833,533	$22,416,569
Expenditures:			
General Government	$ 4,154,642	$ 3,605,573	$ 4,262,386
Public Safety	11,488,936	11,201,317	11,712,277
Public Works	3,914,319	2,234,407	4,059,089
CARS	1,729,949	2,761,005	1,813,072
Non-Departmental	(141,810)	1,379,179	359,745
Transfers Out	200,000	443,430	210,000
Total Expenditures	$21,346,036	$21,624,911	$22,416,569
December 31 Fund Balance	$11,355,203	$11,563,825	$11,563,825

Sources: City's Comprehensive Annual Financial Reports and 2019 Budget.

Major General Fund Revenue Sources

Revenue	2014	2015	2016	2017	2018
Taxes	$14,991,781	$15,532,039	$16,128,373	$16,766,847	$17,361,854
Intergovernmental	1,401,447	1,410,695	1,466,341	1,496,165	1,658,391
Licenses and Permits	1,021,410	859,534	932,051	904,785	1,209,029
Charges for Services	810,597	749,569	765,831	809,031	861,965
Fines & Forfeits	312,130	268,116	211,712	243,915	273,507

Sources: City's Comprehensive Annual Financial Reports.

PROPOSED FORM OF LEGAL OPINION

$2,520,000*
Economic Development Authority of the City of Brooklyn Center, Minnesota
Lease Revenue Bonds (Municipal Liquor Store Project)
Series 2019B

We have acted as bond counsel in connection with the issuance by the Economic Development Authority of the City of Brooklyn Center, Minnesota (the "EDA") of its Lease Revenue Bonds (Municipal Liquor Store Project), Series 2019B, originally dated September 1, 2019 (the "Bonds"), in the aggregate principal amount of $2,520,000*. The Bonds are being issued pursuant to a bond resolution adopted by the EDA on August 12, 2019 (the "Bond Resolution"), a resolution adopted by the City of Brooklyn Center, Minnesota (the "City") on August 12, 2019, the ("City Resolution") and a Trust Indenture, dated as of September 1, 2019 (the "Indenture"), between the EDA and Zions Bancorporation, National Association, as trustee (the "Trustee"). Proceeds of the Bonds will be used to acquire, construct, and equip certain Facilities on a Site leased by the EDA from the City pursuant to a Ground Lease, dated as of September 1, 2019 (the "Ground Lease"). Pursuant to a Lease-Purchase Agreement, dated as of September 1, 2019 (the "Lease"), the EDA has leased the Site and the Facilities to the City. Pursuant to the Indenture, the EDA has assigned to the Trustee its interest in the Lease and the Lease Payments to be made thereunder (except for the certain rights of the EDA to indemnification and payment of expenses). Capitalized terms not defined in this opinion are as defined in the Lease.

For the purpose of rendering this opinion we have examined certified copies of certain proceedings taken by the EDA and the City in the authorization, sale and issuance of the Bonds, including the Bond Resolution, the City Resolution, the Indenture, the Ground Lease, the Lease and the form of the Bonds, and certain other proceedings and documents furnished by the EDA and the City. From our examination of such proceedings and other documents, assuming the genuineness of the signatures thereon and the accuracy of the facts stated therein and continuing compliance by the EDA and the City with the covenants in the Bond Resolution, the City Resolution, the Indenture, and the Lease to comply with the Internal Revenue Code of 1986, as amended (the "Code"), and based upon laws, regulations, rulings and decisions in effect on the date hereof, it is our opinion, as of the date hereof, that:

1. The Bonds are in due form, have been duly executed and delivered, and are valid and binding limited obligations of the EDA, enforceable in accordance with their terms, except as such enforcement may be limited by the State of Minnesota or United States laws relating to bankruptcy, reorganization, moratorium or creditors' rights.

2. The Issuer is authorized by the Constitution and laws of the State of Minnesota to issue the Bonds, to apply the proceeds of the Bonds to acquire, construct, and equip the Facilities, to pledge the rental payments to be received pursuant to, and its interests in, the Lease as security for the payment of the principal of and interest on the Bonds.

3. The Indenture, the Ground Lease and the Lease have been duly executed and delivered by the EDA, and are valid and binding obligations of the EDA, except as such enforcement may be limited by the State of Minnesota or United States laws relating to bankruptcy, reorganization, moratorium or creditors' rights.

4. The Ground Lease and the Lease have been duly executed and delivered by the City and are valid and binding obligations of the City, enforceable in accordance with their terms, except as such enforcement may be limited by the State of Minnesota or United States laws relating to bankruptcy, reorganization, moratorium or creditors' rights.

* *Preliminary; subject to change.*

5. The Bonds are not a general obligation of the EDA or the City, and no holder of a Bond shall ever have the power to compel the exercise of any taxing power of the EDA or the City for the payment of the Bonds. The principal of and interest on the Bonds are payable from Lease Payments to be made by the City under the Lease and from certain other revenues described in the Lease and the Indenture. The Lease Payments payable under the Lease are payable solely from moneys to be appropriated by the City Council of the City for this purpose each year in the City's annual budget, but the City Council is not required to appropriate or provide moneys for this purpose. If moneys are not appropriated by the City Council for any fiscal year, the Lease will be terminated at the end of the preceding fiscal year, and the City is not required to pay Lease Payments coming due after such termination. Neither the Lease nor the City's obligation to pay Lease Payments thereunder, nor the Bonds, are a general obligation or indebtedness of the City, and the full faith and credit of the City is not pledged for their payment.

6. Interest on the Bonds is excludable from gross income of the recipient for federal income tax purposes and, to the same extent, is excludable from taxable net income of individuals, trusts, and estates for Minnesota income tax purposes, and is not a preference item for purposes of the computation of the federal alternative minimum tax, or the computation of the Minnesota alternative minimum tax imposed on individuals, trusts and estates. However, such interest subject to Minnesota franchise taxes on corporations (including financial institutions) measured by income. The opinion set forth in this paragraph is subject to the condition that the EDA comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes and from taxable net income for Minnesota income tax purposes. The EDA has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes and taxable net income for Minnesota income tax purposes retroactively to the date of issuance of the Bonds. We express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

Dated at Minneapolis, Minnesota, September __, 2019.

CONTINUING DISCLOSURE CERTIFICATE

$2,520,000*
Economic Development Authority of the City of Brooklyn Center, Minnesota
Lease Revenue Bonds (Municipal Liquor Store Project)
Series 2019B

September __, 2019

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Brooklyn Center, Minnesota (the "City") and the Economic Development Authority of the City of Brooklyn Center, Minnesota (the "Issuer"), in connection with the issuance of the Lease Revenue Bonds (Municipal Liquor Store Project), Series 2019B (the "Bonds"), by the Issuer in the aggregate principal amount of $2,520,000*. The Bonds are being issued pursuant to a bond resolution adopted by the Board of Commissioners of the Issuer on September ___, 2019 (the "EDA Resolution") and delivered to by Robert W. Baird & Company, Incorporated, in Saint Paul, Minnesota and Milwaukee, Wisconsin (the "Purchaser") on the date hereof. Pursuant to the EDA Resolution the Issuer, and pursuant to a resolution adopted by the City Council of the City on _____, 2019 (the "City Resolution"), the City has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. The Issuer and the City hereby covenant and agree as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City and the Issuer for the benefit of the Holders (as defined herein) of the Bonds in order to provide for the public availability of such information and assist the Participating Underwriter(s) (as defined herein) in complying with the Rule (as defined herein). This Disclosure Certificate, together with the EDA Resolution, constitutes the written agreement or contract for the benefit of the Holders of the Bonds that is required by the Rule.

Section 2. Definitions. In addition to the defined terms set forth in the EDA Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means annual financial statements of the City, prepared in accordance with GAAP as prescribed by GASB.

"Bonds" means the Lease Revenue Bonds (Municipal Liquor Store Project), Series 2019B issued by the Issuer in the original aggregate principal amount of $2,620,000.

"City" means the City of Brooklyn Center, Minnesota, which is an obligated person with respect to the Bonds.

"Disclosure Certificate" means this Continuing Disclosure Certificate.

"EMMA" means the Electronic Municipal Market Access system operated by the MSRB and designated as a nationally recognized municipal securities information repository and the exclusive portal for complying with the continuing disclosure requirements of the Rule.

* *Preliminary; subject to change.*

"Final Official Statement" means the deemed final Official Statement, dated _____, 2019, which constitutes the final official statement delivered in connection with the Bonds, which is available from the MSRB.

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a Financial Obligation as described in clause (a) or (b). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the City.

"GAAP" means generally accepted accounting principles for governmental units as prescribed by GASB.

"GASB" means the Governmental Accounting Standards Board.

"Holder" means the person in whose name a Bond is registered or a beneficial owner of such a Bond.

"Issuer" means the Economic Development Authority of the City of Brooklyn Center, Minnesota, which is the obligated person with respect to the Bonds.

"Material Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board located at 1300 I Street NW, Suite 1000, Washington, DC 20005.

"Participating Underwriter" means any of the original underwriter(s) of the Bonds (including the Purchaser) required to comply with the Rule in connection with the offering of the Bonds.

"Purchaser" means Robert W. Baird & Company, Incorporated, in Saint Paul, Minnesota and Milwaukee, Wisconsin.

"Repository" means EMMA, or any successor thereto designated by the SEC.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and including written interpretations thereof by the SEC.

"SEC" means Securities and Exchange Commission, and any successor thereto.

Section 3. Provision of Annual Financial Information and Audited Financial Statements.

(a) The Issuer shall provide to the Repository not later than twelve (12) months after the end of the Fiscal Year commencing with the year that ends December 31, 2019, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the City may be submitted separately from the balance of the Annual Report.

(b) If the Issuer is unable or fails to provide to the Repository an Annual Report by the date required in subsection (a), the Issuer shall send a notice of that fact to the Repository and the MSRB.

(c) The Issuer shall determine each year prior to the date for providing the Annual Report the name and address of each Repository.

Section 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the following sections of the Final Official Statement:

1. City Property Values
2. City Indebtedness
3. City Tax Rates, Levies and Collections

In addition to the items listed above, the Annual Report shall include Audited Financial Statements submitted in accordance with Section 3 of this Disclosure Certificate.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the City, Issuer or related public entities, which have been submitted to the Repository or the SEC. If the document incorporated by reference is a final official statement, it must also be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Material Events.

(a) This Section 5 shall govern the giving of notice of the occurrence of any of the following events ("Material Events") with respect to the Bonds:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB), or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

7. Modifications to rights of security holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the securities, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the obligated person;

13. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other

than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

15. Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) The Issuer shall file a notice of such occurrence with the Repository or with the MSRB within ten (10) business days of the occurrence of the Material Event.

(c) Unless otherwise required by law and subject to technical and economic feasibility, the Issuer shall employ such methods of information transmission as shall be requested or recommended by the designated recipients of the Issuer's information.

Section 6. EMMA. The SEC has designated EMMA as a nationally recognized municipal securities information repository and the exclusive portal for complying with the continuing disclosure requirements of the Rule. Until the EMMA system is amended or altered by the MSRB and the SEC, the Issuer shall make all filings required under this Disclosure Certificate solely with EMMA.

Section 7. Termination of Reporting Obligation. The Issuer's and the City's obligations under the EDA Resolution, the City Resolution and this Disclosure Certificate shall terminate upon the redemption in full of all Bonds or payment in full of all Bonds.

Section 8. Agent. The Issuer or the City may, from time to time, appoint or engage a dissemination agent to assist it in carrying out the City's obligations under the EDA Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 9. Amendment; Waiver. Notwithstanding any other provision of the EDA Resolution, the City Resolution or this Disclosure Certificate, the City or the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of nationally recognized bond counsel to the effect that such amendment or waiver would not, in and of itself, cause a violation of the Rule. The provisions of the EDA Resolution and the City Resolution requiring continuing disclosure pursuant to the Rule and this Disclosure Certificate, or any provision hereof, shall be null and void in the event that the Issuer or the City delivers to the Repository an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which impose the continuing disclosure requirements of the EDA Resolution and the City Resolution and the execution and delivery of this Disclosure Certificate are invalid, have been repealed retroactively or otherwise do not apply to the Bonds. The provisions of the EDA Resolution and the City Resolution requiring continuing disclosure pursuant to the Rule and this Disclosure Certificate may be amended without the consent of the Holders of the Bonds, but only upon the delivery by the Issuer or the City to the Repository of the proposed amendment and an opinion of nationally recognized bond counsel to the effect that such amendment, and giving effect thereto, will not adversely affect the compliance of the EDA Resolution, the City Resolution and this Disclosure Certificate with the Rule.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Certificate. If the Issuer or the City chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Certificate, neither the Issuer not the City shall have any obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 11. Default. In the event of a failure of the Issuer or the City to comply with any provision of this Disclosure Certificate any Holder of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer or the City to comply with its obligations under the EDA Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Bonds and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the City, the Participating Underwriters, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Disclosure Certificate in our official capacities effective as of the date and year first written above.

CITY OF BROOKLYN CENTER, MINNESOTA

_____
Mayor

_____
City Manager

IN WITNESS WHEREOF, we have executed this Disclosure Certificate in our official capacities effective as of the date and year first written above.

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF BROOKLYN CENTER, MINNESOTA

_____
President

_____
Executive Director

DOCUMENT SUMMARIES

LEASE PURCHASE AGREEMENT

The following are excerpts of certain provisions of the Lease-Purchase Agreement (the "Lease"). These excerpts do not purport to be complete and reference is made to the full text of the Lease for a complete recital of its terms.

Term of Lease or Lease Term. The Lease shall be in effect for a Term commencing September 1, 2019 thereof and extending until no Bonds remain Outstanding, or until terminated for the following reasons:

(a) non-appropriation by the City;

(b) the payment by the City of the Purchase Price,

(c) the discharge by the City of its obligation to pay the Lease Payments and Additional Lease Payments required to be paid by it, pursuant to Section 8.3 of the Lease; or

(d) a default by the City and the Authority's election to terminate the Lease pursuant to Article X of the Lease.

Representations, Covenants and Warranties of Tenant. The City and the Authority represents, covenants and warrants as follows:

(a) The City and Authority are authorized under the Constitution and laws of the State of Minnesota and the City's home rule charter to enter into the Lease and the transactions contemplated hereby, and to perform all of its obligations under the Lease.

(b) The officers of the City and the Authority executing the Lease have been duly authorized to do so.

(c) The City will not pledge, mortgage or assign the Lease, or its rights, duties and obligations thereunder to any other person, firm or corporation except as provided under the terms of the Lease.

(d) Subject to the City's rights under Section 5.6 of the Lease, the Facilities will be used until the Bonds have all been paid primarily to carry out the governmental or proprietary purposes of the City.

(e) Subject to the provisions of Section 5.6 of the Lease, the City administration will include in the annual budget of the City submitted to the City Council, for each Fiscal Year during the Lease Term, moneys sufficient to pay and for the purpose of paying all Lease Payments and Additional Lease Payments and other obligations of the City under the Lease, and for this purpose the City will make a reasonable estimate of Additional Lease Payments to become due in the next fiscal year, and will take all other actions necessary to provide moneys for the payment of the obligations of the City under the Lease from sources of the City lawfully available for this purpose.

(f) Except to the extent specifically provided in the Lease, the City is not obligated to appropriate or otherwise provide moneys for the payment of the Lease Payments or any other amounts coming due; and in the event of non-appropriation or non-renewal by the City, the City shall not be liable for general, special, incidental, consequential or other damages resulting therefrom. The Lease does not constitute a general obligation of the City, and the full faith and credit and taxing

powers of the City are not pledged for the payment of the Lease Payments or other amounts coming due, or other actions required to be performed, thereunder.

(g) The City has determined that the purchase price to be paid for the Facilities under the Lease represents the fair market value of the Facilities; that Lease Payments and Additional Lease Payments thereunder during the Lease Term represent the fair value of the use of the Facilities, and that the Purchase Price represents the fair purchase price of the Facilities. The City hereby determines that the Lease Payments and Additional Lease Payments do not exceed a reasonable amount so as to place the City under an economic compulsion to renew the Lease or to exercise its option to purchase the Facilities. In making such determinations the City has given consideration to the costs of the Facilities, the uses and purposes for which the Facilities will be employed by the City, the benefit to the City by reason of the acquisition of the Facilities pursuant to the terms and provisions of the Lease and the City's option to purchase the Facilities. The City hereby determines and declares that the acquisition of the Facilities and the leasing of the Facilities pursuant to the Lease will result in facilities of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition of the Facilities were performed by the City other than pursuant to the Lease. The City hereby determines and declares that the period during which the City has an option to purchase the Facilities (i.e., the Term of the Lease) does not exceed the useful life of the Facilities.

(h) The City acknowledges that regulations of the Comptroller of the Currency grant the City the right to receive brokerage confirmations of the security transactions as they occur. The City specifically waives such notification to the extent permitted by law and will receive periodic cash transaction statements that will detail all investment transactions.

(i) The City will use the Facilities during the Lease Term only to perform governmental functions of the City, and will not enter into any sublease, use agreement, management agreement or other contract which would cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to Section 141 of the Internal Revenue Code if the result would be that interest payable on the Bonds would become includable in gross income for federal income tax purposes.

(j) During the Term of the Lease, the City will not take or permit any of its officers to take any action with respect to the Lease or the Facilities which would cause interest on the Bonds to become includable in gross income of the recipient for federal income tax purposes under the Internal Revenue Code, and will take all actions necessary to ensure that interest on the Bonds remains excludable from gross income of the recipient under the Internal Revenue Code, insofar as it has the power and authority to take such actions.

(k) No officer of the City who is authorized to take part in any manner in making the Lease or any contract contemplated thereby has a personal financial interest in or has personally and financially benefited from the Lease or any such contract.

(l) There is not pending or overtly threatened any suit, action or proceeding against or affecting the City before or by any court, arbitrator, administrative agency or other governmental authority which materially and adversely affects the validity, as to the City, of the Lease, any of the obligations of the City thereunder or any of the transactions contemplated hereby.

(m) No event of nonappropriation or other financing lease termination has occurred in connection with any prior lease financing by the City.

(n) The obligation created by the Lease ($2,620,000), together with all other net debt of the City, does not cause the net debt of the City to exceed the limitation set forth in Minnesota Statutes, Section 475.53.

Authority's Interest in the Site and Facilities. Upon payment of all Lease Payments and Additional Lease Payments due, or upon prepayment of the Lease Payments and Additional Lease Payments or discharge of the City's obligation to make the Lease Payments and Additional Lease Payments in accordance with Article VIII of the Lease, and in either event, upon defeasance of the Bonds in accordance with Article X of the Indenture, full and unencumbered legal title to the Facilities shall pass to the City, and the Authority shall have no further interest therein. In such event the Authority and its officers shall take all actions necessary to authorize, execute and deliver to the City any and all documents necessary to vest in the City, all of the Authority's right, title and interest in and to the Site and Facilities, free and clear of all liens, leasehold interests, encumbrances (other than Permitted Encumbrances), including, if necessary, a release of any and all interests or liens created under the provisions of the Lease.

Maintenance and Modification of Facilities by the City. During the Term of the Lease the City shall, at its own expense, maintain, preserve and keep the Site and Facilities in good repair, working order and condition, and shall from time to time make all repairs, replacements and improvements necessary to keep the Site and Facilities in such condition. The Authority shall have no responsibility for any of these repairs, replacements or improvements.

Taxes, Other Governmental Charges and Utility Charges. During the Term of the Lease the City shall also pay or cause to be paid when due all gas, water, steam, electricity, heat, power and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Site and the Facilities. The City shall also pay all property and excise taxes and governmental charges of any kind whatsoever which may at any time be lawfully assessed or levied against or with respect to the Site and the Facilities or any part thereof or the Lease Payments, and which become due during the Term of the Lease with respect thereto; and all special assessments and charges lawfully made by any governmental body for public improvements that may be secured by a lien on the Site and Facilities; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are required to be paid during the Term of the Lease as and when the same become due. The City shall not be required to pay any federal, state or local income, inheritance, estate, succession, transfer, gift, franchise, gross receipts, profit, excess profit, capital stock, corporate, or other similar tax payable by the Authority, its successors or assigns, unless such tax is made in lieu of or as a substitute for any real estate or other tax upon property.

The City may, at the City's expense and in the City's name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Authority or the Trustee shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such items the interest of the Authority in the Site and Facilities will be materially endangered or the Site, the Facilities or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay such taxes, assessments or charges or provide the Authority and the Trustee with full security against any loss which may result from nonpayment, in form satisfactory to the Authority and the Trustee.

Liability/Property Insurance. During the Term of the Lease the City shall procure and maintain continuously in effect with respect to the Site and Facilities, insurance against liability for injuries to or death of any person or damage to or loss of property arising out of or in any way relating to the maintenance, use or operation of the Site, the Facilities. The City shall also procure and maintain continuously in effect, to the extent of the full replacement value of the Facilities, other than building

foundations, insurance against loss from or damage by vandalism and fire, with a uniform standard extended coverage endorsement limited only as may be provided in the standard form of extended coverage endorsement at the time in use in the State of Minnesota, in such amount as will be at least sufficient so that a claim may be made for the full replacement cost of any part thereof damaged or destroyed.

Damage, Destruction and Condemnation. If the Facilities or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty or title to or the temporary use of the Facilities or any part thereof, or the interest of the City or the Authority in the Site or the Facilities or any part thereof is taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, the City shall have the rights with respect to the Net Proceeds of any insurance or condemnation award specified in Section 7.7 of the Lease, but the City shall be obligated to continue to pay the Lease Payments and Additional Lease Payments due with respect to the Facilities. All Net Proceeds shall be applied to the prompt repair, restoration, modification, improvement or replacement of the Site and the Facilities by the City, or, if the City elects not to repair or rebuild, all Net Proceeds shall be applied to prepay the Lease Payments and Additional Lease Payments; in either event all Net Proceeds not needed for the purpose shall belong to the City. In the event Net Proceeds exceed $100,000, they shall be held by the Trustee and disbursed in payment of costs of repair, restoration, modification, improvement or replacement substantially in accordance with the procedure for disbursement of Bond proceeds from the Project Fund in Article IV of the Indenture.

Assignment by Authority. Except as expressly provided in Section 9.1 of the Lease, the Authority's rights and obligations under the Lease, including the right to receive and enforce payment of the Lease Payments and Additional Lease Payments to be made by the City under the Lease and its interest in the Site and the Facilities, shall not be assigned, pledged, mortgaged or transferred, in whole or in part, except to the Trustee pursuant to the Indenture. The City hereby approves the assignment made by the Authority to the Trustee under the Indenture of its interest in the Site, the Facilities, the Ground Lease, the Lease and the Lease Payments to become due thereunder.

Assignment and Subleasing by the City. The rights and obligations of the City under the Lease may not be assigned by the City without the written consent of the Authority and the Trustee. The City may also sublease the Project, or any portion thereof, to any other entity, provided that the City furnishes to the Authority and the Trustee an Opinion of Counsel, who is nationally recognized bond counsel, that such sublease will not adversely affect the validity of the Outstanding Bonds or the exemption of the interest thereon from federal income taxation. Nothing in the Lease prohibits the City from assigning, subleasing, mortgaging, selling or otherwise using the Excluded Property in its sole discretion.

Events of Default Defined

(a) Failure by the City to pay any Lease Payment, Additional Lease Payment, or other payment required to be paid under the Lease at the time and from the sources specified within the Lease.

(b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in clause (a) of section 10.1 of the Lease, for a period of 60 days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Authority or the Trustee, unless the Authority and the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Authority and the Trustee shall not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the City within the applicable period and diligently pursued until the default is corrected.

(c) The occurrence of any of the following events:

(i) The City shall (a) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee, liquidator or the like of the City or of all or a substantial part of its property, (b) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), or (c) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts; or

(ii) A proceeding or case shall be commenced, without the application or consent of the City, as the case may be, in any court of competent jurisdiction, seeking (a) the liquidation, reorganization, dissolution, winding-up, or the composition or adjustment of debts, of the City, (b) the appointment of a trustee, receiver, custodian, liquidator or the like of the City, or (c) similar relief in respect of the City under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, and such proceeding or case has not been dismissed within 60 days of the filing thereof.

If by reason of force majeure either party is unable in whole or in part to carry out its obligations under the Lease, it shall not be deemed in default during the continuance of such inability or during any other delays which are a direct consequence of the force majeure inability, and the time for such performance shall be extended to cover such delays. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or any of its departments, agencies or officials, or any civil or military authority, or the State of Minnesota or any of its departments, agencies or officials; insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of a party and not resulting from its negligence. Each party to the Lease agrees, however, to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its agreements.

Remedies on Default. Whenever any Event of Default shall have happened and be continuing, the Trustee may take, but only upon not less than 5 days' written notice to the City, one or any combination of the following remedial steps:

(a) Without terminating the Lease, re-enter and take possession of the Site and the Facilities and exclude the City from using it until the Event of Default is cured; or

(b) Subject to the provisions of Section 5.6 of the Lease, take any action at law or in equity which may appear necessary or desirable to: (i) collect the Lease Payments and Additional Lease Payments then due for the Fiscal Year then in effect, (ii) collect any Lease Payments and Additional Lease Payments to become due and payable during the current Fiscal Year, or (iii) enforce performance and observance of any obligation, agreement or covenant of the City under the Lease; or

(c) Terminate the Term of the Lease, exclude the City from possession of the Facilities, and use its best efforts to lease the Facilities to another for the account of the City, holding the City liable for the difference between the rentals received and the Lease Payments and Additional Lease Payments which would have been receivable hereunder for the Fiscal Year then in effect.

TRUST INDENTURE

The following are excerpts of certain provisions of the Trust Indenture (the "Indenture"). These excerpts do not purport to be complete and reference is made to the full text of the Indenture for a complete recital of its terms.

Establishment of Trustee. The Authority hereby employs the Trustee to receive, hold, invest, and disburse moneys to be paid to the Trustee pursuant to the Lease for credit to the various accounts in the Trust Estate established by the Indenture; to prepare, execute, deliver and deal with the Bonds; and to apply and disburse the Lease Payments received from the City to the owners of the Bonds; and to perform certain other functions; all as provided in the Indenture and subject to the terms and conditions of the Indenture. Application of Rental Payments. All Lease Payments will be paid directly to the Trustee and will be deposited in the Bond Fund and applied by the Trustee solely for the benefit of registered owners of the Bonds.

Investment of Funds. To the extent authorized by applicable law, moneys on deposit to the credit of the Project Fund and the Bond Fund shall be invested by the Trustee, upon request by an Authorized Officer of the City, in Permitted Investments. Investments permitted under the Indenture may be purchased from the Trustee or from any of its affiliates. Investments so made shall be deemed at all times to be a part of the respective Fund, but may from time to time be sold or otherwise converted into cash, whereupon the proceeds derived from such sale or conversion shall be credited to such Fund. Any interest accruing on and any profit realized from such investment shall be credited to the respective Fund. All funds and accounts shall be valued in relation to the market value by the Trustee on a semiannual basis no fewer than 15 days prior to each interest payment date. Any investments purchased with amounts on deposit in any Fund under the Indenture may be exchanged for cash or investments of equal value credited to any other Fund. The Trustee shall redeem or sell, at the best price obtainable, any investments so made, whenever it shall be necessary to do so in order to provide moneys to meet any payment from the respective Fund. Neither the Trustee nor the Authority shall be liable for any loss resulting from any such investment, nor from failure to preserve rights against endorsers or other prior parties to instruments evidencing any such investment. Investment of funds pursuant to Section 5.03 of the Indenture shall be limited as to amount and yield of investment in such manner that no part of the Outstanding Bonds shall be deemed "arbitrage bonds" under Section 148 of the Internal Revenue Code and regulations thereunder. The Trustee shall be entitled to rely on the Tax Certificate delivered in connection with the issuance of the Bonds. Investment of funds pursuant to Section 5.03 of the Indenture shall comply with all procedures required under applicable Treasury Regulations to qualify the purchase price of an investment as the fair market value of such investment.

Funds and Accounts. Pursuant to the provisions of the Indenture, the Authority assigns to the Trustee, and to its successor(s), all of the right, title and interest of the Authority in the Lease. There shall be established with the Trustee the following funds:

Project Fund. The Authority hereby establishes a fund (the "Project Fund") with the Trustee and, on the Closing Date, there shall be deposited with the Trustee to the credit of the Project Fund proceeds of the Series 2019B Bonds. As provided in Section 4.05 of the Indenture, Construction Period income and profit from the investment of moneys in the Project Fund shall be credited to the Project Fund. In addition to such proceeds of the Series 2019B Bonds, income and profit, the City has covenanted in the Lease that, upon request of the Trustee, it will deposit in the Project Fund the additional moneys, if any, which, together with such proceeds, income and profit will be sufficient to finance the total Project Costs. The Authority has no obligation to deposit any moneys in the Project Fund or to apply moneys to Project Costs except proceeds of Bonds or funds made available by the City. Project Costs payable from the proceeds of the Bonds do not include any costs of the Excluded Portion.

Bond Fund. The Authority hereby establishes and shall maintain with the Trustee, so long as any Bonds are Outstanding, a separate Fund to be designated "Economic Development Authority of the City of Victoria, Minnesota Lease Revenue Bonds (Municipal Liquor Store Project) Bond Fund" (the "Bond Fund"), into which the Trustee shall deposit:

(i) An amount equal to the accrued interest on the Bonds.

(ii) On August 1, 2020 and each February 1 and August 1, or as soon after the due date as received from the City, all payments by the City as Lease Payments under Section 4.2 of the Lease.

(iii) All other moneys received by the Trustee from the City when accompanied by directions of the City that such moneys are to be paid into the Bond Fund or used for purposes for which moneys in the Bond Fund may be used.

(iv) All other moneys required to be deposited in the Bond Fund pursuant to any provision of the Indenture, the Ground Lease, the Lease or the Bond Resolution.

Trustee; Duties, Removal and Resignation. The Trustee, prior to the occurrence of an Event of Default and after the curing of all such Events of Default as may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the Indenture. During the existence of any Event of Default which has not been cured, the Trustee shall exercise such rights and powers, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs. The Trustee shall not be required to take notice or be deemed to have notice of any Default or Event of Default thereunder except Default in the deposits or payments specified, or failure by the Authority or the City to file with it any of the documents required or to deposit with it evidence of the insurance policies required thereunder or under the Lease, unless the Trustee shall be specifically notified in writing of such Default or Event of Default by the City, by the Authority or by the Owners of at least a majority in aggregate principal amount of Bonds Outstanding hereunder, and in order to be effective, all notices or other instruments required by the Indenture to be delivered to the Trustee must be delivered at the office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume that there is no Default or Event of Default, except as aforesaid. The Trustee may resign and be discharged from the trusts created by the Indenture by giving to the City 30 days' notice in writing, and to the Owners notice by first class mail at their addresses as set forth on the registration books, of such resignation, specifying a date when such resignation shall take effect. Such resignation shall take effect no earlier than the date on which a successor trustee shall have been appointed as hereinafter provided.

Appointment of Successor Trustee. In case at any time the Trustee shall resign or shall be removed or otherwise shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver of the Trustee or of its property shall be appointed, or if a public supervisory office shall take charge or control of the Trustee or of its property or affairs, a vacancy shall forthwith and ipso facto be created in the office of such Trustee hereunder, and a successor may be appointed by either (i) the Authority and the City or (ii) the Owners of a majority in principal amount of the Bonds hereby secured and then Outstanding, by an instrument or instruments in writing filed with the Trustee and executed by the Authority and the City or by such Owners, as applicable, notification thereof being given to the City, but in the event the Trustee has been removed by action of the Owners, until a new Trustee shall be appointed by the Owners as therein authorized, the Authority may, subject to the provisions thereof, appoint a Trustee to fill such vacancy. After any appointment by the Authority, the Trustee so appointed shall cause

notice of its appointment to be mailed within 30 days after such appointment to the registered Owners of the Bonds, but any new Trustee appointed by the Authority shall immediately and without further act be superseded by a Trustee appointed in the manner above provided by the Owners of a majority in principal amount of the Bonds whenever such appointment by the Owners shall be made. If, in a proper case, no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of Section 8.16 of the Indenture within 6 months after a vacancy shall have occurred in the office of Trustee, the Owner of any Bond hereby secured or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Issuance of Additional Bonds. The Authority, upon request of the City, may issue Additional Bonds of any series in amounts which are sufficient to pay the cost of completing the Project, acquiring, constructing or equipping Improvements and refunding Outstanding Bonds, to pay the costs of issuing such Additional Bonds and in the case of Additional Bonds issued to pay the cost of Improvements, to fund interest payable on such Additional Bonds for a period of time not to exceed 6 months beyond the completion of any Improvements financed with the proceeds thereof.

Additional Bonds to Pay the Cost of Improvements. Additional Bonds of any series may be issued, at one time or from time to time, subject to the conditions described in the Indenture, in an aggregate amount sufficient with any other funds available and committed therefor, to pay the cost of any Improvements, including Improvements located on real property contiguous with the Site, if such real property is to be acquired by the City and leased to the Authority pursuant to the Ground Lease; provided, however, that such real property, whether or not financed with the proceeds of Additional Bonds shall, as a condition to the issuance of such Additional Bonds, be subjected to the Ground Lease and the Lease and become part of the Site, and the City, the Trustee and the Authority shall take all action necessary to so provide.

Additional Bonds for Refunding Purposes. Additional Bonds may be issued at any time or from time to time, subject to the conditions described in the Indenture, for the purpose of providing funds, with any other funds available and committed therefor, for paying at their stated maturities or earlier optional redemption date all the Outstanding Bonds of any one or more series, including the payment of any interest which will accrue on such Bonds to the stated maturities or earlier optional redemption date thereof, and any expenses in connection with such refunding.

Additional Bonds of any series may be executed by the Authority and delivered to the Trustee for authentication, but only upon receipt by the Trustee of the following:

(i) An executed counterpart of the Supplemental Indenture creating such Additional Bonds;

(ii) Executed counterparts of amendments to the Ground Lease and the Lease adding the property, if any, financed with the Additional Bonds to the Site and providing for additional Lease Payments sufficient to provide for the payment of principal, premium, if any, and interest on all Bonds to be Outstanding after the issuance of the Additional Bonds.

Amendments to the Lease and the Ground Lease Not Requiring Consent of Owners. The Authority, the City and the Trustee are permitted, without the consent of or notice to the Owners, to consent to any amendment, change or modification of the Lease or the Ground Lease as may be required (i) by the provisions of the Lease or the Ground Lease or this Indenture, (ii) for the purpose of curing any ambiguity or formal defect or omission, (iii) in connection with the issuance of Additional Bonds as provided herein, or (iv) in connection with any other change in the Lease or the Ground Lease which, in the Opinion of Counsel, does not materially adversely affect the interests of the Trustee or the Owners of the Bonds.

Additionally, the City shall have the right to amend the Ground Lease and the Lease to clarify the legal description of the Site and the Excluded Property, as built, or to reflect the legal description of the Site and the Excluded Property plus common elements and limited common elements upon filing of common interest community plat prepared in accordance with Minnesota Statutes, Section 515B.2-1101 upon substantial completion of the structural components and common mechanical systems of the building constituting the Facilities or to reflect a registered land survey of the Site and the Excluded Property and the Trustee is authorized to execute, without the consent of the Holders, any amendment to the Ground Lease and/or the Lease and any necessary easements, including without limitation easements permitted under the Lease, quitclaim deeds or partial releases of the Ground Lease and/or the Lease, and any required consent, approval or other similar document necessary in connection therewith, upon receipt of a certification from the City that such amendments or other documents are not detrimental to the proper conduct of the operations of the City on or in the Site or the Facilities.

GROUND LEASE

The following is an excerpt of certain provisions of the Ground Lease (the "Ground Lease"). The excerpt does not purport to be complete and reference is made to the full text of the Ground Lease for a complete recital of its terms.

The Ground Lease, is made and entered into as of September 1, 2019 by and between the City, as Lessor and the Authority, as Lessee.

Subject to and upon the terms, conditions, covenants and undertakings set forth in the Ground Lease, the City leases and permits the use to, and the Authority leases from the City, the Site. For the avoidance of doubt, the Site does not include the Excluded Portion which the City retains for its own use and enjoyment.

Warranties. City covenants and warrants to Authority:

(1) That the City has good and merchantable title to the Site, has authority to enter into, execute and deliver the Ground Lease, has duly authorized the execution and delivery of the Ground Lease and has duly executed and delivered the Ground Lease;

(2) That the Site is not subject to any dedication, easement, right-of-way, reservation in patent, covenant, condition, restriction, lien or encumbrance which would prohibit or materially interfere with the construction of certain facilities, including the Facilities on the Site, as contemplated by the Lease;

(3) That all taxes, assessments or impositions of any kind with respect to the Site, except current taxes, have been paid in full;

(4) That the Land is properly zoned for the purpose of the Facilities.

(5) That the City has authority to enter into, execute and deliver the Lease, has duly authorized its execution and delivery, and has duly executed and delivered the Lease.

Term. The term of the Ground Lease shall commence as of September 1, 2019, and shall end on February 1, 2045, subject to earlier termination as provided in the Lease.

Rent. The rent shall be One Dollar ($1.00) payable in advance on the Closing Date, as defined in the Lease.

Use. Authority shall not use or permit the use of the Site for any unlawful purpose.

APPENDIX V

EXCERPT OF 2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT

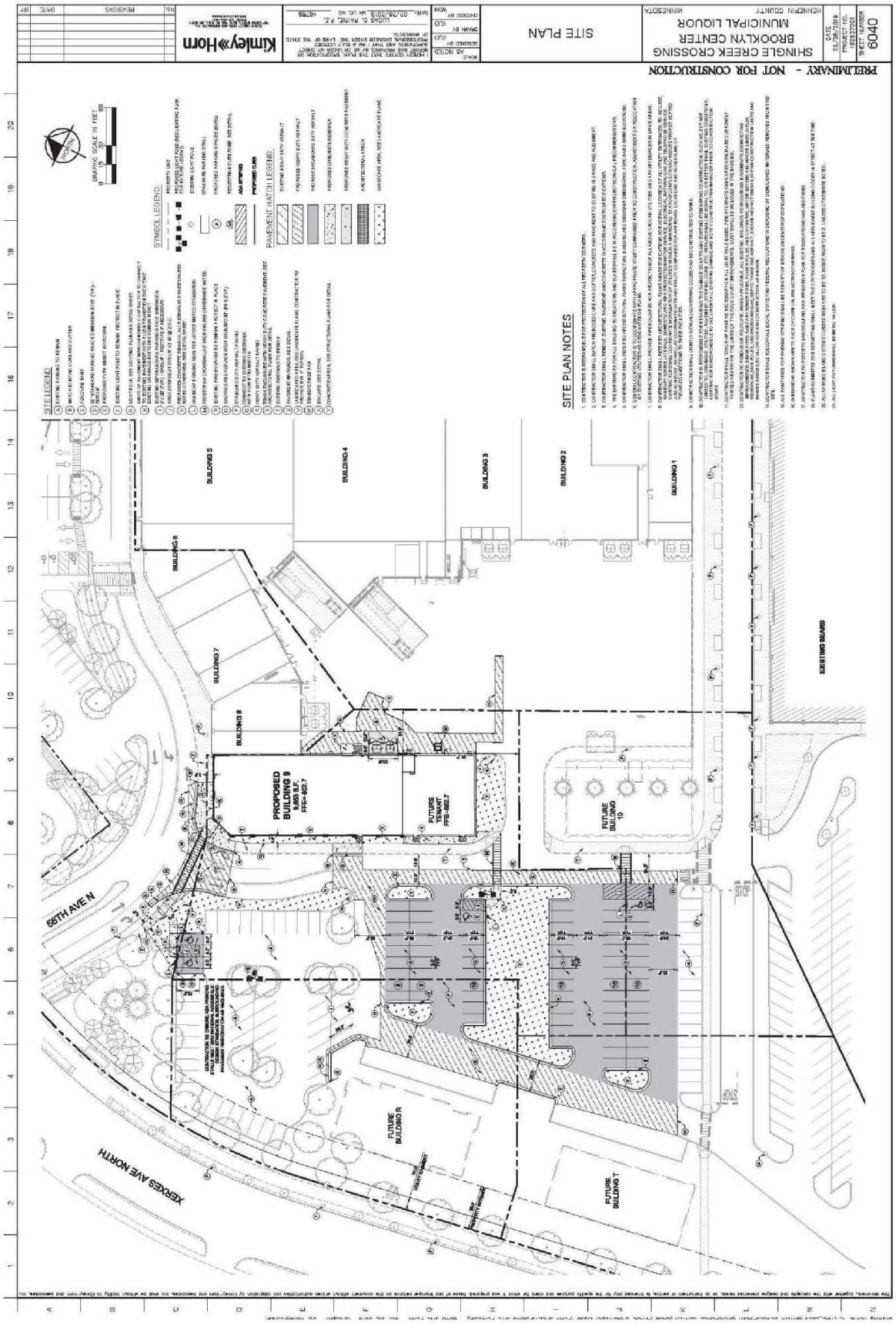
Data on the following pages was extracted from the City's Comprehensive Annual Financial Report for fiscal year ended December 31, 2018. The reader should be aware that the complete financial statements may contain additional information which may interpret, explain or modify the data presented here.

The City's comprehensive annual financial reports for the years ending 1966 through 2017 were awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. The City has submitted its CAFR for the 2018 fiscal year to GFOA.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report (CAFR), whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

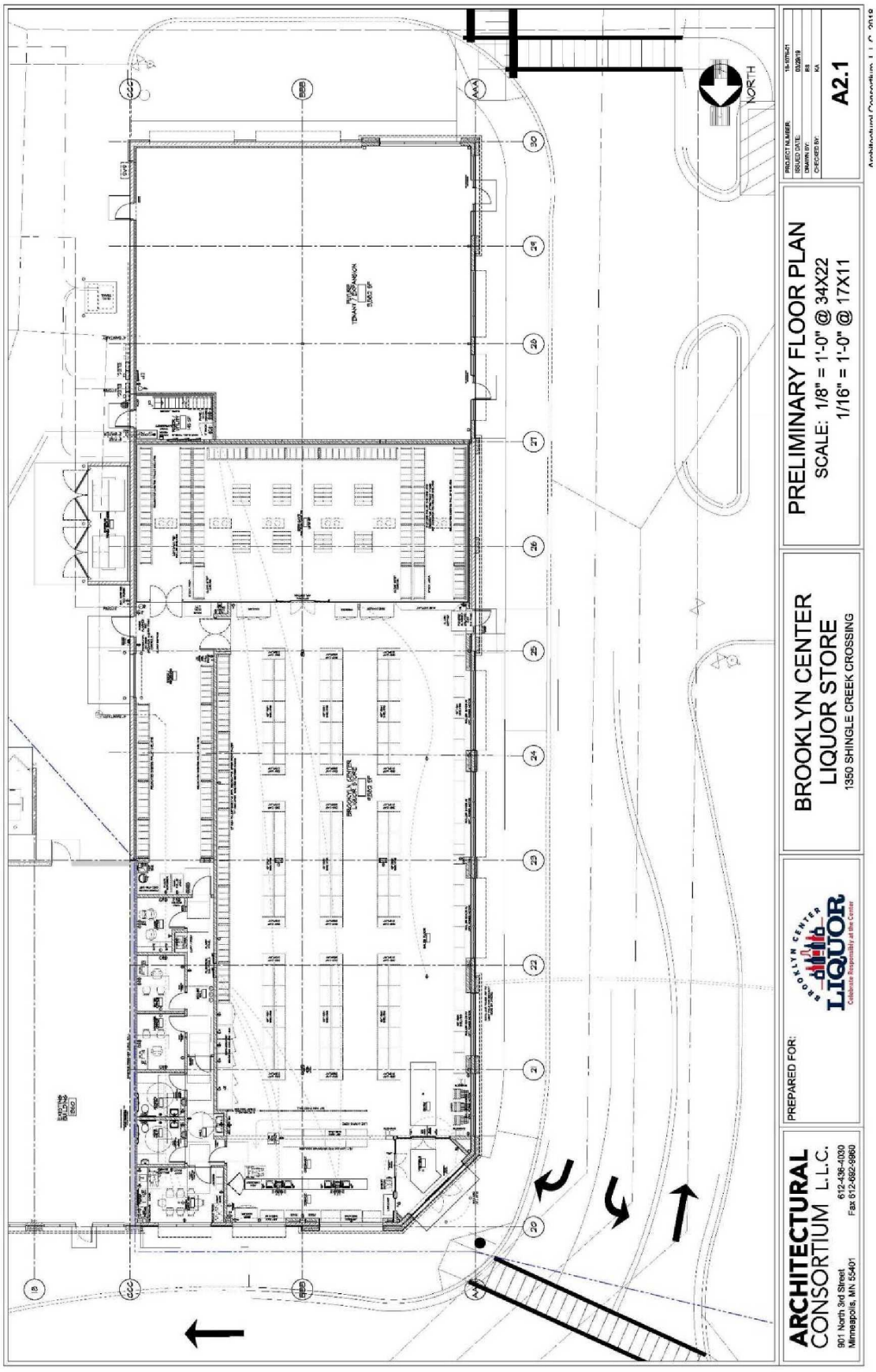
APPENDIX VI

SITE PLAN



APPENDIX VII

FLOOR PLAN



GROUND LEASE

Between

CITY OF BROOKLYN CENTER
As Lessor

and

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF BROOKLYN CENTER, MINNESOTA
As Lessee

Dated as of September 1, 2019

This instrument was drafted by:
KENNEDY & GRAVEN, CHARTERED (JSB)
470 U.S. Bank Plaza, 200 South Sixth Street
Minneapolis, Minnesota 55402
(612)337-9300

THIS GROUND LEASE, made as of this 1st day of September, 2019, by and between the CITY OF BROOKLYN CENTER, a home rule charter city and political subdivision of the State of Minnesota (the "City"), as Lessor and the Economic Development Authority of Brooklyn Center, Minnesota, a public body corporate and politic and political subdivision of the State of Minnesota (together with its successors and assigns as lessee hereunder, the "EDA"), as Lessee.

W I T N E S S E T H :

In consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

ARTICLE I

Demise Of Site And Warranties

Section 1.01. Demise. Subject to and upon the terms, conditions, covenants and undertakings hereinafter set forth, the City hereby leases and permits the use to, and the EDA hereby leases from the City, the property described in **Exhibit A** attached hereto, located in Hennepin County, Minnesota (the "Site"). For the avoidance of doubt, the parties acknowledge and agree that the Site does not include the portion of the building constructed on Lot 5, Block 1, Shingle Creek Crossing 5th Addition, County of Hennepin, State of Minnesota, which is described after the word "Excluding" in **Exhibit A** and is depicted in **Exhibit B** (the "Excluded Portion") which the City shall retain for its own use and enjoyment.

Section 1.02. Warranties. The City covenants and warrants to the EDA:

(1) That the City has good and merchantable title to the Site, has authority to enter into, execute and deliver this Ground Lease, has duly authorized the execution and delivery of this Ground Lease and has duly executed and delivered this Ground Lease;

(2) That the Site is not subject to any dedication, easement, right-of-way, reservation in patent, covenant, condition, restriction, lien or encumbrance which would prohibit or materially interfere with the construction of certain facilities, including a municipal liquor store (the "Facilities") on the Site, as contemplated by that certain Lease-Purchase Agreement by and between the City and the EDA of even date herewith (the "Lease");

(3) That all taxes, assessments or impositions of any kind with respect to the Site, except current taxes, have been paid in full;

(4) That the Site is properly zoned for the purpose of the Facilities; and

(5) That the City has authority to enter into, execute and deliver the Lease, has duly authorized its execution and delivery, and has duly executed and delivered the Lease.

Section 1.03. Environmental Covenant. To the best knowledge of the City, after due inquiry, (i) no dangerous, toxic or hazardous pollutants, contaminants, chemicals, waste, materials or substances, as defined in or governed by the provisions of any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating thereto (collectively, "Environmental Regulations"), and also including ureaformaldehyde, polychlorinated biphenyls, asbestos, asbestos containing materials, nuclear fuel or waste, radioactive materials, explosives, carcinogens and petroleum products, or any other waste, material, substance, pollutant or contaminant which would subject the owner of the Site and the Facilities to any damages, penalties or liabilities under any applicable Environmental Regulation (collectively, "Hazardous Substances") are now or have been stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited or disposed of in, upon, under, over or from the Site or the Facilities in violation of any Environmental Regulation; (ii) no threat exists of a discharge, release or emission of a Hazardous Substance upon or from the Site into the environment; (iii) the Site has not been used as or for a mine, a landfill, a dump or other disposal facility, an industrial or manufacturing facility, or a gasoline service station; (iv) no underground storage tank is located at the Site or has previously been located therein but has been removed therefrom; (v) no violation of any Environmental Regulation now exists relating to the Site or the Facilities, no notice of any such violation or any alleged violation thereof has been issued or given by any governmental entity or agency, and there is not now any investigation or report involving the Site or the Facilities by any governmental entity or agency which in any way relates to Hazardous Substances; (vi) no person, party or private or governmental agency or entity has given any notice of or asserted any claim, cause of action, penalty, cost or demand for payment or compensation, whether or not involving any injury or threatened injury to human health, the environment or natural resources, resulting or allegedly resulting from any activity or event described in (i) above; (vii) there are not now any actions, suits, proceedings or damage settlements relating in any way to Hazardous Substances, in, upon, under, over or from the Site, (viii) the Site is not listed in the United States Environmental Protection Agency's National Priorities List of Hazardous Waste Sites or any other list of Hazardous Substance sites maintained by any federal, state or local governmental agency; and (ix) the Site is not subject to any lien or claim for lien or threat of a lien in favor of any governmental entity or agency as a result of any release or threatened release of any Hazardous Substance.

The City shall not store, locate, generate, produce, process, treat, transport, incorporate, discharge, emit, release, deposit or dispose of any Hazardous Substance in, upon, under, over or from the Site or the Facilities in violation of any Environmental Regulation, shall not permit any Hazardous Substance to be stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom in violation of any Environmental Regulation, shall cause all Hazardous Substances to be properly removed therefrom and properly disposed of in accordance with all applicable Environmental Regulations, shall not install or permit to be installed any underground storage tank therein or thereunder in violation of any Environmental Regulations which are applicable to the Site and the Facilities.

In the event any Hazardous Substance is found upon, under, over or from the Site or the Facilities in violation of any Environmental Regulation or if any lien or claim for lien in favor of any governmental entity or agency as a result of any release of any Hazardous Substance is

threatened, the City, at its sole cost and expense, shall, within 10 days of such finding, deliver written notice thereof to the EDA and the Trustee (as defined in the Lease) and shall promptly remove such Hazardous Substances upon, under, over or from the Site or the Facilities and prevent the imposition of any liens against the Site or the Facilities for the cleanup of any Hazardous Materials. Such removal shall be conducted and completed in compliance with all applicable federal, state and local laws, regulations, rules ordinances and policies, in accordance with the orders and directives of all federal, state and local governmental authorities. In the event the City has not removed such Hazardous Substances within a time period deemed reasonable by the Trustee, the City shall, at the written direction of the Trustee, take such remedial action as the Trustee shall direct. In the event the City shall not comply with the written directions of the Trustee within the time frame established within its written directions, the City hereby grants to the EDA and the Trustee an irrevocable license to remove Hazardous Substances from, repair, clean up, and detoxify the Site and the Facilities and agrees to reimburse the EDA and the Trustee for all of their costs therefor. The City reserves the right to recover from responsible third parties all costs or reimbursements paid by the City under this Section 1.03.

The City further agrees, to the extent permitted by Minnesota law, to reimburse the EDA and the Trustee for any and all claims, demands, judgments, penalties, liabilities, costs, damages and expenses, including court costs and attorneys' fees directly or indirectly incurred by the EDA and the Trustee (prior to trial, at trial and on appeal) in any action against or involving the EDA or the Trustee, resulting from any breach of the foregoing covenants, or from the discovery of any Hazardous Substance, in, upon, under or over, or emanating from the Site or the Facilities, whether or not the City is responsible therefor, it being the intent of the City, the EDA and the Trustee that the EDA and the Trustee shall have no liability or responsibility for damage or injury to human health, the environment or natural resources caused by, for abatement and/or clean up of, or otherwise with respect to, Hazardous Substances by virtue of the interests of the EDA and the Trustee in the Site and the Facilities pursuant to this Ground Lease, or hereafter created, or as the result of the EDA or the Trustee exercising any of its or their rights or remedies with respect thereto hereunder or under any other instrument, including but not limited to becoming the owner thereof by foreclosure or conveyance in lieu of foreclosure. The foregoing representations, warranties and covenants of this Section shall be deemed continuing covenants, representations and warranties for the benefit of the EDA and the Trustee, including but not limited to any purchaser at a foreclosure sale, any transferee of the title of the Trustee or any other purchaser at a foreclosure sale, and any subsequent owner of the Site or the Facilities, and shall survive the satisfaction or release of this Ground Lease, any foreclosure of a mortgage lien under the Indenture or any other instrument, and/or any acquisition of title to the Site or the Facilities or any part thereof by the EDA or the Trustee, by deed in lieu of foreclosure of otherwise. Any amounts covered by the foregoing shall bear interest from the date incurred at the maximum rate permitted by law and shall be payable on demand.

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ARTICLE II

Term And Rent

Section 2.01. Term. The term of this Ground Lease shall commence as of the day and year first above written, and shall end on February 1, 2045 subject to earlier termination as provided in the Lease.

Section 2.02. Rent. The rent for the entire term of this Ground Lease shall be One Dollar ($1.00), payable in one installment in advance on the Closing Date, as defined in the Lease.

ARTICLE III

Use Of Site; Additional Covenants

Section 3.01. Use. The EDA shall not use or permit the use of the Site for any unlawful purpose.

Section 3.02. Quiet Enjoyment. The City covenants that upon the EDA's paying the rent reserved herein, and performing all conditions and covenants set forth in this Ground Lease and the Lease, the EDA shall and may peaceably have, hold and enjoy the Site for the term of this Ground Lease. The EDA covenants that upon expiration of this Ground Lease, it shall give the City peaceable possession of the Site, together with the Facilities and any other improvements constructed thereon pursuant to the Lease.

Section 3.03. Assignment and Subletting. The EDA shall have the right to assign its interest in this Ground Lease, and to sublet the Site in accordance with the Lease. Specifically, on the date of execution of this Ground Lease, the EDA shall assign all of its right, title and interest hereunder to the Trustee named in the Lease, and the City hereby consents to such assignment. From and after such assignment, all references herein to the EDA shall be deemed to be references to the Trustee.

Section 3.04. Additional Covenants. In the event that any person or entity, however organized (other than the EDA or any assignee of the EDA), shall be determined to hold any interest that in any manner affects the City's good and merchantable title to the Site, the City shall use its best efforts to acquire the interest so held, such acquisition to be made at the City's sole cost and expense. The City hereby agrees to save and keep harmless the EDA, or any assignee of the EDA, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees, but only in the event that litigation is actually commenced by the EDA) of whatever kind and nature, imposed on, incurred by or asserted against the EDA, or any assignee of the EDA, that in any way relate to or arise out of the assertion of any interest affecting the City's good and merchantable title to the Site by any person or entity, however organized (other than the EDA or any assignee of the EDA).

ARTICLE IV

Lessee's Default; Remedies

Section 4.01 Lessee's Default. The following shall be an "event of default" or a "default" hereunder: if Lessee shall fail to (i) pay the rent provided herein, (ii) observe or perform any of the obligations of Lessee otherwise provided herein, (iii) observe or perform any of its obligations under the Lease in accordance with the terms thereof.

Section 4.02 Lessor's Remedies. Upon the occurrence of an event of default by Lessee hereunder, which shall remain uncured for 30 days after receipt by Lessee of written notice of such event of default, Lessor may thereafter or any time subsequently during the existence of such breach or default; (i) enter into and upon the Land and repossess the same, expelling and removing therefrom all persons and property, and (ii) terminate this Ground Lease, holding Lessee liable for damages for its breach.

ARTICLE IV

Miscellaneous

Section 5.01. Binding Effect. This Ground Lease shall be binding upon, and inure to the benefit of, the parties hereto, and their successors and assigns.

Section 5.02. Certain Defined Terms. Unless the context hereof clearly requires otherwise, capitalized terms used in this Ground Lease and defined in the Lease are used herein with the same meanings as set forth in the Lease.

Section 5.03 Applicable Law. This Ground Lease shall be interpreted and enforced in accordance with the laws of the State of Minnesota.

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IN WITNESS WHEREOF, the parties hereto have executed this Ground Lease as of the date first above written.

CITY OF BROOKLYN CENTER, MINNESOTA

By _____
Its Mayor

By _____
Its City Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by _____ and _____, the Mayor and City Manager, respectively, of the City of Brooklyn Center, Minnesota, a home rule charter city and political subdivision of the State of Minnesota, on behalf of said political subdivision.

_____
Notary Public

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ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA

By _____
Its President

By _____
Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by _____ and _____, the President and Executive, respectively, of the Economic Development Authority of Brooklyn Center, Minnesota, a body corporate and politic organized and existing under the Constitution and laws of the State of Minnesota and political subdivision of the State of Minnesota, on behalf of said political subdivision.

_____
Notary Public

DRAFT

EXHIBIT A

Legal Description

Lot 5, Block 1, Shingle Creek Crossing 5th Addition, County of Hennepin, State of Minnesota

Excluding:

[insert metes and bounds description of Excluded Portion]

DRAFT

EXHIBIT B

Depiction of Excluded Portion

DRAFT

LEASE-PURCHASE AGREEMENT

between

ECONOMIC DEVELOPMENT OF THE CITY OF BROOKLYN CENTER, MINNESOTA
as Lessor

and

CITY OF BROOKLYN CENTER, MINNESOTA
as Lessee

Dated as of September 1, 2019

DRAFT

This instrument drafted by:

KENNEDY & GRAVEN, Chartered (JSB)
200 South Sixth Street
470 U.S. Bank Plaza
Minneapolis, Minnesota 55402
(612) 337-9300

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THIS LEASE-PURCHASE AGREEMENT dated as of September 1, 2019 (the "Lease"), by and between the ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA, a public body corporate and politic and political subdivision of the State of Minnesota, as lessor (the "EDA"), and the CITY OF BROOKLYN CENTER, a home rule charter city and political subdivision of the State of Minnesota (the "City"), as lessee;

WITNESSETH:

WHEREAS, the City is authorized by law to acquire such items of real and personal property as are needed to carry out its governmental and proprietary functions, and to acquire such real and personal property by entering into lease-purchase contracts; and

WHEREAS, the City has determined that it is necessary for it to acquire pursuant to this Lease the EDA's interest in certain real property described on **Exhibit A** hereto (the "Site"), together with certain buildings, structures and improvements to be constructed thereon, and certain equipment and furnishings to be contained therein (as further defined herein, the "Facilities"); and

WHEREAS, the development of the Site and the Facilities is consistent with and furthers the economic development functions of the EDA; and

WHEREAS, the EDA is willing to acquire a leasehold interest in the Site pursuant to a Ground Lease of even date herewith (the "Ground Lease") from the City to the EDA and to acquire title to the Facilities and to lease and sell the Site and the Facilities to the City, pursuant to this Lease; and

WHEREAS, to provide funds for the acquisition and construction of the Facilities, the EDA will issue its $2,620,000 Economic Development Authority of Brooklyn Center, Minnesota Lease Revenue Bonds (Liquor Store Project), Series 2019B (the "Series 2019B Bonds"), pursuant to a resolution adopted by the Board of Commissioners of the EDA on August 12, 2019 and a Trust Indenture of even date herewith (the "Indenture"), between the EDA and Zions Bancorporation, Chicago, Illinois, as trustee (the "Trustee"); and

WHEREAS, pursuant to the Indenture, the EDA will assign to the Trustee all of the EDA's right, title and interest in and to the Ground Lease, this Lease and the Lease Payments to be made hereunder (other than certain rights to indemnification and payment of expenses of the EDA);

NOW, THEREFORE, in the joint and mutual exercise of their powers, and in consideration of the mutual covenants herein contained, the parties hereto recite and agree as follows:

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ARTICLE I

Definitions and Exhibits

Section 1.1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Lease and Exhibits attached hereto, have the meanings herein specified:

"Additional Lease Payments" means payments due from the City pursuant to Section 4.3 hereof.

"Authorized Officer," when used with respect to the City, means its Mayor, its City Manager, its Clerk, or any other person who is designated in writing by the City as an Authorized Officer for purposes of this Lease, and when used with respect to the EDA means its Secretary, Executive Director, President or any other person who is designated in writing by the EDA as an Authorized Officer for purposes of this Lease.

"Bond Counsel" means any attorney or law firm having a national reputation as bond counsel in connection with the issuance of state and local governmental obligations and appointed by the EDA as bond counsel.

"Bonds" means the Series 2019B Bonds and any Additional Bonds issued pursuant to the Indenture.

"Business Day" means any day on which the Trustee is open for business.

"City" means the City of Brooklyn Center, a home rule charter city and political subdivision of the State of Minnesota, and any successor to its functions.

"City Council" means the City Council of the City and any successor as governing body of the City.

"Closing Date" means the date upon which the Bonds of any series are delivered to the Original Purchaser (as defined in the Indenture) against payment therefor.

"Completion Date" means the date of completion of construction of the Facilities, established in accordance with Section 3.2(e) hereof.

"Cost of Issuance" means all fees and expenses incurred by the City and the EDA in connection with the execution and delivery of the Lease and the issuance of the Bonds, including, but not limited to, costs of preparing and printing the Bonds, this Lease, the Ground Lease, the Indenture, the Official Statement relating to the Bonds, and related documents; legal fees (including, without limitation, those of Bond Counsel, counsel to the Trustee, the EDA, the City and the Insurer); recording fees and title insurance premiums; Rating Agency fees; financial advisor's fees; the Trustee's initial fees.

"EDA" means the Economic Development Authority of Brooklyn Center, Minnesota, a public body corporate and politic and political subdivision of the State of Minnesota, and its successors and assigns as lessor hereunder.

"Excluded Portion" means the portion of the building constructed on Lot 5, Block 1, Shingle Creek Crossing 5th Addition, County of Hennepin, State of Minnesota, which is described after the word "Excluding" in **Exhibit A** and is depicted in **Exhibit D**.

"Facilities" means any buildings, structures and improvements to be constructed as the City's municipal liquor store on the Site, and all furniture, fixtures and equipment to be acquired with proceeds of sale of the Bonds and located thereon. For the avoidance of doubt, the parties acknowledge and agree that the Facilities do not include the Excluded Portion.

"Fiscal Year" means the 12-month fiscal period of the City, which commences on January 1 and ends on December 31 of each year.

"Ground Lease" means the Ground Lease, dated as of September 1, 2019, by which the City leases the Site to the EDA, as amended or supplemented from time to time.

"Improvements" means any addition, enlargement, improvement, extension or alteration of or to the Facilities as they then exist, and also means any fixtures, structures or other facilities (other than the Facilities) acquired or constructed by the City and located on the Site.

"Indenture" means the Trust Indenture dated as of September 1, 2019, by and between the EDA and the Trustee, and any amendments or supplements thereto.

"Independent," when used with reference to an attorney, engineer, architect, certified public accountant, consultant or other professional person, means a person who (i) is in fact independent, (ii) does not have any material financial interest in the City or the transaction to which such person's Certificate or opinion relates (other than payment to be received for professional services rendered), and (iii) is not connected with the EDA or the City as an officer, director or employee.

"Independent Counsel" means an Independent attorney duly admitted to practice law before the highest court of any state.

"Interest Payment Date" means August 1, 2020and each February 1 and August 1 thereafter until the Bonds are paid in full.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

"Lease" means this Lease-Purchase Agreement, between the EDA, as lessor, and the City, as lessee, as amended or supplemented from time to time.

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"Lease Payment" means each of the payments due from the City to the EDA on each Lease Payment Date during the Term of this Lease, as shown on **Exhibit B**.

"Lease Payment Date" means the date upon which any Lease Payment is due and payable as provided in **Exhibit B**.

"Net Proceeds," when used with respect to proceeds of insurance or a condemnation award, means moneys received or receivable by the City, as owner or as lessee hereunder, or the Trustee, as lessee under the Ground Lease or as secured party, of the Site or the Facilities, less the cost of recovery (including attorneys' fees) of such moneys from the insuring company or the condemning authority.

"Official Statement" means any official statement utilized by the Original Purchaser (as defined in the Indenture) in connection with the sale of the Bonds.

"Owner" means the registered owner of any Outstanding Bond.

"Permitted Encumbrances" means, as of any particular time: (i) liens for taxes and assessments not then delinquent, or which the City may, pursuant to provisions of Section 6.3 hereof, permit to remain unpaid, (ii) the Ground Lease, this Lease, and amendments hereto or thereto, (iii) the EDA's and the Trustee's interest in the Facilities, (iv) any mechanic's, laborer's, materialmen's, supplier's or vendor's lien or right not filed or perfected in the manner prescribed by law, (v) such minor defects, irregularities, encumbrances, easements, rights-of-way and clouds on title as normally exist with respect to properties similar in character to the Site and which do not, in the opinion of Independent Counsel, materially impair the property affected thereby for the purpose for which it was intended, and (vi) easements, restrictions or encumbrances, if any, shown on **Exhibit A** hereto.

"Project Costs" means the costs defined in Section 4.03 of the Indenture.

"Purchase Price" means, with respect to any date, cash or obligations of or guaranteed by the United States of America maturing at such times and in such amounts as to provide for the full and timely payment of all interest and premium, if any, on and principal of the Outstanding Bonds to maturity or an earlier redemption date, if applicable. The City shall be entitled to credit against the Purchase Price the amount of any moneys then held by the Trustee under the Indenture and available for the payment of the Outstanding Bonds.

"Record Date" means the 15th day of the calendar month next preceding any Interest Payment Date, regardless whether such day is a Business Day.

"Series 2019B Bonds" means the $2,620,000 Economic Development Authority of Brooklyn Center, Minnesota Lease Revenue Bonds (Liquor Store Project), Series 2019B, originally issued pursuant to the Indenture.

"Site" means the real property described in **Exhibit A** hereto, including any property added to or substituted for any portion of the Site, and less any real property released from this

Lease pursuant to Article VI hereof. For the avoidance of doubt, the parties acknowledge and agree that the Site does not include the Excluded Portion.

"State and Federal Laws" means the Constitution and any law of the State and any ordinance, rule or regulation of any agency or political subdivision of the State; and any law of the United States, and any rule or regulation of any executive department or federal agency.

"Term" means the period during which this Lease may remain in effect as specified in Section 5.1.

"Trustee" means Zions Bancorporation, Chicago, Illinois, and its successors and assigns as Trustee under the Indenture.

Section 1.2. Exhibits. The following Exhibits are attached to and by reference made a part of this Lease:

Exhibit A: A legal description of the Site and Facilities being leased and purchased by the City pursuant to this Lease, and a listing of Permitted Encumbrances.

Exhibit B: The date and amount of each Lease Payment coming due during the Lease Term.

Exhibit C: The form of completion certificate to be delivered by the City to evidence the Completion Date.

Exhibit D: Depiction of Excluded Portion.

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ARTICLE II

Representations, Covenants and Warranties

Section 2.1. Representations, Covenants and Warranties of the City. The City represents, covenants and warrants as follows:

(a) The City is authorized under the Constitution, its home rule charter and laws of the State of Minnesota to enter into this Lease and the transactions contemplated hereby, and to perform all of its obligations hereunder.

(b) Neither the execution and delivery of this Lease, nor the fulfillment of or compliance with the terms and conditions thereof, nor the consummation of the transactions contemplated thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is now a party or by which the City is bound, constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the City, or upon the Site and the Facilities except Permitted Encumbrances.

(c) This Lease is entered into under authority of and pursuant to Minnesota Statutes, Section 465.71, as amended.

(d) The officers of the City executing this Lease have been duly authorized to do so.

(e) The City will not pledge, mortgage or assign this Lease, or its rights, duties and obligations hereunder to any other person, firm or corporation except as provided under the terms of this Lease.

(f) Subject to the City's rights under Section 5.6 hereof, the Facilities will be used until the Bonds have all been paid primarily to carry out the governmental or proprietary purposes of the City.

(g) Subject to the provisions of Section 5.6 hereof, the City administration will include in the annual budget of the City submitted to the City Council, for each Fiscal Year during the Lease Term, moneys sufficient to pay and for the purpose of paying all Lease Payments and Additional Lease Payments and other obligations of the City under this Lease, and for this purpose the City will make a reasonable estimate of Additional Lease Payments to become due in the next fiscal year, and will take all other actions necessary to provide moneys for the payment of the obligations of the City under this Lease from sources of the City lawfully available for this purpose.

(h) Except to the extent specifically provided herein, the City is not obligated to appropriate or otherwise provide moneys for the payment of the Lease Payments or

any other amounts coming due hereunder; and in the event of non-appropriation or non-renewal by the City, the City shall not be liable for general, special, incidental, consequential or other damages resulting therefrom. This Lease does not constitute a general obligation of the City, and the full faith and credit and taxing powers of the City are not pledged for the payment of the Lease Payments or other amounts coming due, or other actions required to be performed, hereunder.

(i) The City hereby declares its current need for the Facilities. The City has determined that the purchase price to be paid for the Facilities under this Lease represents the fair market value of the Facilities; that Lease Payments and Additional Lease Payments hereunder during the Lease Term represent the fair value of the use of the Facilities, and that the Purchase Price represents the fair purchase price of the Facilities. The City hereby determines that the Lease Payments and Additional Lease Payments do not exceed a reasonable amount so as to place the City under an economic compulsion to renew this Lease or to exercise its option to purchase the Facilities hereunder. In making such determinations the City has given consideration to the costs of the Facilities, the uses and purposes for which the Facilities will be employed by the City, the benefit to the City by reason of the acquisition of the Facilities pursuant to the terms and provisions of this Lease and the City's option to purchase the Facilities. The City hereby determines and declares that the acquisition of the Facilities and the leasing of the Facilities pursuant to this Lease will result in facilities of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition of the Facilities were performed by the City other than pursuant to this Lease. The City hereby determines and declares that the period during which the City has an option to purchase the Facilities (i.e., the Term of this Lease) does not exceed the useful life of the Facilities.

(j) The City acknowledges that regulations of the Comptroller of the Currency grant the City the right to receive brokerage confirmations of the security transactions as they occur. The City specifically waives such notification to the extent permitted by law and will receive periodic cash transaction statements that will detail all investment transactions.

(k) The City will use the Facilities during the Lease Term only to perform governmental functions of the City, and will not enter into any sublease, use agreement, management agreement or other contract which would cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to Section 141 of the Internal Revenue Code if the result would be that interest payable on the Bonds would become includable in gross income for federal income tax purposes.

(l) During the Term of the Lease, the City will not take or permit any of its officers to take any action with respect to the Lease or the Facilities which would cause interest on the Bonds to become includable in gross income of the recipient for federal income tax purposes under the Internal Revenue Code, and will take all actions necessary to ensure that interest on the Bonds remains excludable from gross income of the recipient under the Internal Revenue Code, insofar as it has the power and authority to take such actions.

(m) No officer of the City who is authorized to take part in any manner in making this Lease or any contract contemplated hereby has a personal financial interest in or has personally and financially benefited from this Lease or any such contract.

(n) There is not pending or overtly threatened any suit, action or proceeding against or affecting the City before or by any court, arbitrator, administrative agency or other governmental authority which materially and adversely affects the validity, as to the City, of this Lease, any of the obligations of the City hereunder or any of the transactions contemplated hereby.

(o) No event of nonappropriation or other financing lease termination has occurred in connection with any prior lease financing by the City.

(p) The obligation created by the Lease ($2,620,000), together with all other net debt of the City, does not cause the net debt of the City to exceed the limitation set forth in Minnesota Statutes, Section 475.53.

Section 2.2. Representations, Covenants and Warranties of the EDA. The EDA represents, covenants and warrants as follows:

(a) The EDA is a public body corporate and politic and political subdivision of the State of Minnesota; has power to enter into this Lease; is possessed of full power to own and hold real and personal property, and to sell the same; and has duly authorized the execution and delivery of this Lease.

(b) Neither the execution and delivery of this Lease, nor the fulfillment of or compliance with the terms and conditions thereof, nor the consummation of the transactions contemplated thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the EDA is now a party or by which the EDA is bound, constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the EDA, or upon the Site and the Facilities except Permitted Encumbrances.

(c) The execution and delivery of this Lease and the other agreements contemplated hereby to which the EDA is a party and the consummation of the transactions contemplated hereby and thereby and the fulfillment of the terms hereof and thereof will not conflict with, or constitute on the part of the EDA a breach of, or a default under, any existing (i) law, or (ii) provisions of any legislative act or other proceeding establishing or relating to the establishment of the EDA or its affairs or its resolutions, or (iii) agreement, indenture, mortgage, lease or other instrument to which the EDA is subject or is a party or by which it is bound.

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(d) No officer of the EDA who is authorized to take part in any manner in making this Lease or any contract contemplated hereby has a personal financial interest in or has personally and financially benefited from this Lease or any such contract.

(e) There is not pending or threatened any suit, action or proceeding against or affecting the EDA before or by any court, arbitrator, administrative agency or other governmental EDA which materially and adversely affects the validity, as to the EDA, of this Lease, any of the obligations of the EDA hereunder or any of the transactions contemplated hereby..

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ARTICLE III

Acquisition and Construction of Facilities; Payment of Project Costs

Section 3.1. Project Costs. The City has caused estimates of the Project Costs of the Facilities to be prepared, which estimates have been reviewed and approved by the EDA. Based on such estimates, the total Project Costs, when added to Costs of Issuance (as defined in the Indenture), are estimated to be not less than $2,620,000. In order to provide the moneys needed to pay the Project Costs when due, and in consideration of the actions agreed to be performed by the City under this Lease, the EDA has entered into the Indenture, pursuant to which the proceeds of sale of the Series 2019B Bonds in the amount of $_____ will be deposited in the Bond Fund and the Project Fund and applied as provided in the Indenture.

Section 3.2. Acquisition and Construction of Facilities; Payment of Cost.

(a) The EDA shall establish the Project Fund with the Trustee in accordance with the Indenture. A portion of the proceeds of the issuance and sale of the Bonds shall be deposited into the Project Fund, in accordance with the provisions of the Indenture.

(b) The EDA shall cause the Facilities to be completed with all reasonable dispatch. The EDA hereby appoints the City as its agent for the purpose of construction of the Facilities and the City may perform the same itself or through its agents, and may make or issue such contracts, orders, receipts and instructions, and in general do or cause to be done all such other things as it may consider requisite or advisable for the completion of the Facilities and for fulfilling its obligations under this Article. The City shall have full authority and the sole right under this Lease to supervise and control, directly or indirectly, all aspects of the construction of the Facilities.

The moneys on deposit in the Project Fund shall be applied by the Trustee as provided in this Section and as otherwise provided in Article IV of the Indenture. Until the moneys on deposit in the Project Fund are so applied, such moneys shall be subject to the lien of the Indenture, and the EDA and the City shall have no right, title or interest therein except as expressly provided in this Lease and the Indenture.

(c) Disbursements from the Project Fund are to be made to the City or to its order in accordance with the Indenture; provided that requests for disbursements with respect to Costs of Issuance shall be made in accordance with paragraph (f) of this Section.

(d) If the moneys in the Project Fund, together with any other moneys made available to pay the Project Costs, shall not be sufficient to pay the Project Costs in full, then the City shall pay all that portion of the Project Costs in excess of the moneys available therefor. If the City shall make any payments pursuant to this paragraph (d), it shall not be entitled to any reimbursement therefor from the EDA, the Trustee or the Owners of the Bonds, nor shall it be

entitled to any diminution in or postponement of the payment of the Lease Payments, the Additional Lease Payments or the payment of any other amounts payable under this Lease.

(e) The Completion Date shall be the date on which the Facilities are completed in their entirety and ready to be placed in service and all other property which constitutes the Facilities has been acquired and installed, all as determined by the City. Promptly after the Completion Date, the City shall submit to the EDA and the Trustee a certificate signed by an officer of the City, substantially in the form of **Exhibit C** hereto, which shall specify the Completion Date and shall state that construction and acquisition of the Facilities has been completed and the Project Costs have been paid, except for any portion thereof which has been incurred but is not then due and payable, or the liability for the payment of which is being contested or disputed by the City, and for the payment of which the Trustee is directed to retain specified amounts of moneys within the Project Fund. Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties which exist at the date thereof or which may subsequently come into being. The certificate as to the Completion Date shall include a list of the equipment financed with proceeds of the Series 2019B Bonds and included as part of the Facilities.

(f) The City shall be entitled to withdraw money from the Project Fund in payment of any item constituting a Cost of Issuance, by furnishing the Trustee a certificate and order to pay such costs, on or after the Closing Date. The City agrees that it will pay promptly all expenses constituting Costs of Issuance, whether or not reimbursed therefor from the Project Fund.

(g) The City shall. construct the building shell of an approximately ___ square foot commercial space to be constructed in the Excluded Portion of the building constituting the Facilities simultaneously with the construction of the Facilities and no portion of the Bonds or the Project Fund shall be used for the construction of the Excluded Portion.

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ARTICLE IV

Sale and Lease of Facilities

Section 4.1. Lease and Sale of Facilities. The EDA hereby leases and sells its leasehold interest in the Site and the Facilities to the City, and the City hereby leases and purchases the EDA's interest in the Site and the Facilities from the EDA, upon the terms and conditions set forth in this Lease. The sale shall be completed in accordance with the terms of Section 5.5 hereof.

The Site and the Facilities are leased and sold in their present condition without representation or warranty of any kind by the EDA, and subject to the rights of parties in possession, to the existing state of title, to all applicable legal requirements now or hereafter in effect, and to Permitted Encumbrances. The City has examined the Site and title thereto and has found all of the same to be satisfactory for the purposes of this Lease.

Section 4.2. Lease Payments.

(a) Subject to the provisions of Section 4.4, the City shall pay to the EDA Lease Payments at the times and in the manner specified in the attached **Exhibit B**. The Lease Payments shall be paid in lawful money of the United States of America, in same-day funds, directly to the Trustee, to whom the EDA has irrevocably assigned its rights to receive such Lease Payments pursuant to the Indenture, at its corporate trust office for the account of the City for deposit in the Bond Fund as provided in the Indenture. It is acknowledged that the Lease Payment to be made at least 5 business days prior to each February 1 or August 1 shall be applied by the Trustee to payment of the principal of and interest on the Bonds to be paid on the same date.

(b) The accrued interest on the Series 2019B Bonds initially deposited into the Bond Fund shall be applied as a credit against the first interest payment otherwise required to be paid by the City to the Trustee pursuant to (a) of this Section 4.2.

Section 4.3. Additional Lease Payments. During the Term of this Lease, the City shall pay or cause to be paid as Additional Lease Payments the following amounts:

(a) All fees, charges and expenses, including agent and counsel fees, of the Trustee and any Paying Agent incurred under the Indenture, as and when the same become due.

(b) All costs incident to the payment of the principal of, premium, if any, and interest on the Bonds as the same become due and payable, including redemption premiums, if any, and all other costs and expenses in connection with the call, redemption and payment of Bonds.

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(c) An amount sufficient to reimburse the EDA for all expenses reasonably incurred by the EDA hereunder and in connection with the performance of the EDA's obligations under this Lease or the Indenture.

(d) All expenses incurred in connection with the enforcement of any rights under this Lease or the Indenture by the EDA, the Trustee or the Owners of the Bonds.

(e) All payments required by the rebate covenants of Section 6.8(b), including without limitation any fees payable to consultants retained to analyze rebate requirements.

(f) All other payments of whatever nature which the City has agreed to pay or assume under the provisions of this Lease (including, without limitation, any amounts advanced under Section 6.2(b) hereof and interest thereon).

(g) All costs, charges, expenses and other amounts and obligations due and owing by the EDA under the Ground Lease, as and when the same become due.

Section 4.4. Source of Lease Payments. Notwithstanding any other provision of this Lease apparently to the contrary, this Lease shall not constitute a general obligation of the City, and the full faith and credit of the City are not pledged for the payment of the Lease Payments or the performance by the City of its obligations hereunder. The Lease Payments and Additional Lease Payments shall be paid, and other obligations of the City hereunder shall be met, solely from the amount appropriated by the City Council for such purpose in the City's annual budget and shall constitute a current expense of the City for the Fiscal Year then in effect. It shall not constitute an indebtedness of the City within the meaning of the Constitution and laws of the State of Minnesota (except the amount of the Lease shall be included in the calculation of net debt for purposes of Minnesota Statutes, Section 475.53, as provided in Minnesota Statutes, Section 465.71).

The other obligations of the City hereunder shall be met solely from one or more of the following: (a) Net Proceeds of insurance or self-insurance required to be maintained by the City under Article VII; (b) Net Proceeds of any condemnation award with respect to the Site and Facilities; and (c) moneys from time to time appropriated by the City Council for this purpose, provided that the City Council shall have no legal obligation to appropriate moneys for this purpose.

Section 4.5. City's Obligations and Remedies.

(a) Except as provided in Section 5.6 hereof, the City's obligation to pay Lease Payments due with respect to the Site and the Facilities, and to perform and observe all other covenants and agreements of the City contained herein, shall be absolute and unconditional; and the Lease Payments and Additional Lease Payments due and payable hereunder shall be made without notice or demand and without set-off, counterclaim, abatement, deduction or defense including, without limitation, any failure or delay by the EDA in the performance of any of its obligations hereunder, and irrespective of whether the Facilities shall have been started or

completed, or whether the City's or the EDA's title thereto or to any part thereof is defective or nonexistent, and notwithstanding any damage to, loss, theft or destruction of the Facilities or any part thereof, any failure of consideration, the taking by eminent domain of title to or of the right of temporary use of all or any part of the Facilities, legal curtailment of the City's use thereof, the eviction or constructive eviction of the City, any change in the tax or other laws of the United States of America, the State of Minnesota or any political subdivision thereof, any change in the EDA's legal organization or status, or any default of the EDA hereunder, and regardless of the invalidity of any action of the EDA, and regardless of the invalidity of any portion of this Lease.

(b) Notwithstanding any provision or covenant contained in this Lease, the Indenture or the Bonds, the City is not obligated to renew the Lease beyond any Fiscal Year from time to time in effect, nor is it obligated to budget or appropriate moneys or to pay Lease Payments or Additional Lease Payments beyond the end of the Fiscal Year in effect at a given time.

(c) Nothing in this Lease shall be construed to release the EDA from the performance of any agreement on its part herein contained or as a waiver by the City of any rights or claims which the City may have against the EDA under this Lease or otherwise, but any recovery upon such rights and claims shall be had from the EDA separately, it being the intent of this Lease that the City shall be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under this Lease during the Term of this Lease unless sooner terminated in accordance with section 5.2 hereof (including the obligation to make Lease Payments and Additional Lease Payments) for the benefit of the Owners of the Bonds. The City may, however, at its own cost and expense and in its own name or in the name of the EDA, prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to secure or protect its right of possession, occupancy and use hereunder, and in such event the EDA hereby agrees to cooperate fully with the City and to take all action necessary to effect the substitution of the City for the EDA in any such action or proceeding if the City shall so request.

Section 4.6. Possession and Enjoyment. The EDA hereby covenants to provide the City during the Term of this Lease with quiet use and enjoyment of the Site and Facilities, and the City shall during such Term peaceably and quietly have and hold and enjoy the Site and Facilities, without suit, trouble or hindrance from the EDA, except as expressly set forth in this Lease. At the request of the City and at the City's cost, the EDA will join in any legal action in which the City asserts its right to such possession and enjoyment to the extent the EDA may lawfully do so.

Section 4.7. EDA Access to Site and Facilities. The EDA and the Trustee shall have the right at all reasonable times to examine and inspect the Site and Facilities, and shall have such rights of access to the Site and Facilities as may be reasonably necessary to cause the proper maintenance thereof in the event of failure by the City to perform its obligations hereunder.

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ARTICLE V

Term of Lease;
Transfer or Surrender of Site and Facilities

Section 5.1. Lease Term. Subject to the provisions of Section 5.6, this Lease shall be in effect for a Term commencing upon the execution hereof and continuing until no Bonds remain Outstanding, or until terminated as provided in Section 5.2.

Section 5.2. Termination of Lease Term. The Term of this Lease will terminate prior to February 1, 2035 upon the occurrence of the first of the following events:

(a) non-appropriation by the City pursuant to Section 5.6 hereof;

(b) the payment by the City of the Purchase Price, pursuant to Section 8.1;

(c) the discharge by the City of its obligation to pay the Lease Payments and Additional Lease Payments required to be paid by it hereunder pursuant to Section 8.3; or

(d) a default by the City and the EDA's election to terminate this Lease pursuant to Article X.

Section 5.3. EDA's Interest in the Site and Facilities. Upon payment of all Lease Payments and Additional Lease Payments due hereunder, or upon prepayment of the Lease Payments and Additional Lease Payments or discharge of the City's obligation to make the Lease Payments and Additional Lease Payments in accordance with Article VIII hereof, and in either event, upon defeasance of the Bonds in accordance with Article X of the Indenture, full and unencumbered legal title to the Facilities shall pass to the City, and the EDA shall have no further interest therein. In such event the EDA and its officers shall take all actions necessary to authorize, execute and deliver to the City any and all documents necessary to vest in the City, all of the EDA's right, title and interest in and to the Site and Facilities, free and clear of all liens, leasehold interests, encumbrances (other than Permitted Encumbrances), including, if necessary, a release of any and all interests or liens created under the provisions of this Lease.

Section 5.4. Surrender of Site and Facilities. Upon termination of the Term of this Lease pursuant to Section 5.2, clause (a) or (d), or upon exercise by the EDA of its right to take possession of the Site and Facilities under Section 10.2, the City shall surrender the Site and Facilities to the EDA or the Trustee in the condition in which they were originally received from the EDA, except as repaired, rebuilt, restored, altered or added to as permitted or required hereby, ordinary wear and tear excepted. The City shall have the right to remove from the Site and Facilities at or prior to such termination or possession all personal property located therein which was not financed with moneys provided from the Project Fund, or which has not replaced personal property so financed, and which is not otherwise owned by the EDA, but the City shall repair any damages caused by such removal.

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Section 5.5. Purchase; Conveyance of Title. At any time when the Purchase Price, together with any unpaid or delinquent interest, has been fully paid or provided for, whether by (i) payment of all Lease Payments and Additional Lease Payments as provided in Section 5.1 hereof, or (ii) payment or provision for payment of the Purchase Price as provided in Article VIII hereof, then the purchase of the Site and the Facilities by the City shall be deemed to have been completed. The EDA shall thereupon deliver to the City such instruments of conveyance or release as, in the opinion of the City, may be necessary to release the interests of the EDA and the Trustee in the Site and Facilities.

Section 5.6. Non-Appropriation. If the City Council does not appropriate or budget moneys sufficient to pay the Lease Payments and reasonably estimated Additional Lease Payments coming due in the next Fiscal Year, as determined by the City's budget for the Fiscal Year in question, then the Term of this Lease shall terminate at the end of the then-current Fiscal Year. The City Council shall effect such non-appropriation by adoption of a resolution specifically referring to this Lease and determining (i) not to provide moneys for payments due hereunder in the next Fiscal Year and (ii) that the Lease shall terminate at the end of the then-current Fiscal Year, and the City shall give the EDA and the Trustee a written notice of such non-appropriation and shall pay to the EDA any Lease Payments and Additional Lease Payments which are due and have not been paid at or before the end of its then current Fiscal Year. The City shall endeavor to give as much notice of non-renewal as possible prior to the end of such Fiscal Year, but in any event the City shall not be required to give more than 90 days' notice, and the City shall notify the EDA and the Trustee of any anticipated termination. In the event of termination of this Lease as provided in this Section, the City shall surrender possession of the Site and Facilities to the EDA in accordance with Section 5.4 and convey to the EDA or release its interest in the Site and Facilities within 10 days after the expiration of the then-current term.

Section 5.7. Intent to Continue Term; Appropriations. The City presently intends to continue this Lease for its entire Term and to pay all Lease Payments specified in **Exhibit B** and Additional Lease Payments. The City reasonably believes that moneys in an amount sufficient to make all such Lease Payments and Additional Lease Payments can and will lawfully be appropriated or budgeted and made available.

Section 5.8. Effect of Termination. Upon termination of this Lease as provided in Section 5.6, the City shall not be responsible for the payment of any Lease Payments or Additional Lease Payments coming due with respect to succeeding Fiscal Years, but if the City has not delivered possession of the Site and Facilities to the EDA in accordance with Section 5.4 and conveyed to the EDA or released its interest in the Site and Facilities within 10 days after the termination date, the termination shall nevertheless be effective, but the City shall be responsible for the payment of damages in an amount equal to the amount of the Lease Payments thereafter coming due under **Exhibit B** and Additional Lease Payments which are attributable to the number of days during which the City fails to take such actions and for any other loss suffered by the EDA as a result of the City's failure to take such actions as required. The City shall be required to pay over to the Trustee any moneys which it has appropriated or budgeted for the purpose of paying obligations under this Lease for any Fiscal Years preceding the Fiscal Year for which non-renewal under Section 5.6 is effective.

ARTICLE VI

General Matters

Section 6.1. Use; Permits. The City shall exercise due care in the use, operation and maintenance of the Site and Facilities, and shall not use, operate or maintain the Site and Facilities improperly, carelessly, in violation of any State and Federal Law or for a purpose or in a manner contrary to that contemplated by this Lease. The City shall obtain or cause to be obtained all permits and licenses necessary for the operation, possession and use of the Site and Facilities. The City shall comply with all State and Federal Laws applicable to the operation, possession and use of the Site and Facilities, and if compliance with any such State and Federal Law requires changes or additions to be made to the Site and Facilities, such changes or additions shall be made by the City at its expense.

Section 6.2. Maintenance and Modification of Facilities by the City.

(a) During the Term of this Lease the City shall, at its own expense, maintain, preserve and keep the Site and Facilities in good repair, working order and condition, and shall from time to time make all repairs, replacements and improvements necessary to keep the Site and Facilities in such condition. The EDA shall have no responsibility for any of these repairs, replacements or improvements. In addition, the City shall, at its own expense, have the right to remodel the Facilities or to make additions, modifications and improvements thereto. All such additions, modifications and improvements shall thereafter comprise part of the Facilities and be subject to the provisions of this Lease. Such additions, modifications and improvements shall not in any way damage the Facilities; and the Facilities, upon completion of any additions, modifications and improvements made pursuant to this Section, shall be of a value not less than the value of the Facilities immediately prior to the making of such additions, modifications and improvements. Any property for which a substitution or replacement is made pursuant to this Section may be disposed of by the City in such manner and on such terms as are determined by the City. The City will not permit any mechanic's or other lien to be established or remain against the Site and Facilities for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the City pursuant to this Section; provided that if any such lien is established and the City shall first notify the EDA and the Trustee of the City's intention to do so, the City may in good faith contest any lien filed or established against the Site and Facilities, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom unless the EDA or the Trustee shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such item the interest of the EDA in the Site and Facilities will be materially endangered or the Site and Facilities or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay and cause to be satisfied and discharged all such unpaid items or provide the EDA and the Trustee with full security against any such loss or forfeiture, in form satisfactory to the EDA and the Trustee. The EDA will cooperate fully with the City in any such contest, upon the request and at the expense of the City.

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(b) In the event the EDA becomes aware of any condition on the Site or in the Facilities which, in the reasonable opinion of the EDA, creates a risk to the health and safety of any users of the Facilities or creates a risk of significant deterioration of the Facilities if not corrected, the EDA may, but shall be under no obligation to, notify the City of such condition and request that it be cured as promptly as is reasonably possible. In the event the City does not promptly cure such condition, the EDA may, but shall be under no obligation to, take reasonable steps to correct such condition. In such event, the cost to the EDA and interest thereon at the highest rate specified in any Bond until paid will be charged to the City as an Additional Lease Payment.

Section 6.3. Taxes, Other Governmental Charges and Utility Charges. During the Term of this Lease the City shall also pay or cause to be paid when due all gas, water, steam, electricity, heat, power and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Site and the Facilities. The City shall also pay all property and excise taxes and governmental charges of any kind whatsoever which may at any time be lawfully assessed or levied against or with respect to the Site and the Facilities or any part thereof or the Lease Payments, and which become due during the Term of this Lease with respect thereto; and all special assessments and charges lawfully made by any governmental body for public improvements that may be secured by a lien on the Site and Facilities; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are required to be paid during the Term of this Lease as and when the same become due. The City shall not be required to pay any federal, state or local income, inheritance, estate, succession, transfer, gift, franchise, gross receipts, profit, excess profit, capital stock, corporate, or other similar tax payable by the EDA, its successors or assigns, unless such tax is made in lieu of or as a substitute for any real estate or other tax upon property.

The City may, at the City's expense and in the City's name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the EDA or the Trustee shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such items the interest of the EDA in the Site and Facilities will be materially endangered or the Site, the Facilities or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay such taxes, assessments or charges or provide the EDA and the Trustee with full security against any loss which may result from nonpayment, in form satisfactory to the EDA and the Trustee.

Section 6.4. Liens. The City shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Site or the Facilities, except the respective rights of the EDA and the City as herein provided and Permitted Encumbrances. Except as expressly provided in this Article, the City shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim if the same shall arise at any time. The City shall reimburse the EDA for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

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Section 6.5. Easements. The EDA will from time to time, at the request of the City and at the City's cost and expense, cooperate and join with the City: (a) in granting easements and other rights in the nature of easements, releasing existing easements or other rights in nature of easements which (1) are for the benefit of the Site or the Facilities or (2) are necessary for the construction, maintenance or access to or egress from the Excluded Portion for the benefit of the City or its successors in interest to the Excluded Portion which the City certifies are not detrimental to the proper conduct of the operations of the City on or in the Site or the Facilities; (b) in executing amendments to any covenants and restrictions affecting the Site or the Facilities; (c) in executing and delivering to any person any instrument appropriate (i) to confirm or to the effect that such grant, release or execution is not detrimental to the proper conduct of the operations of the City on or in the Site or the Facilities, (ii) to show the consideration, if any, being paid for such grant, release or amendment, (iii) to show that such grant, release, dedication, transfer, petition or amendment does not materially impair the use of the Site or the Facilities or reduce the value of the Site or the Facilities, or (iv) to confirm that the City will remain obligated hereunder to the same extent as if such grant, release, or amendment had not been made, and the City will perform all obligations under such instrument. The consideration, if any, received by the EDA or the City for such grant, release, or amendment shall be paid to the Trustee and deposited in the Bond Fund.

Section 6.6. Addition and Substitution of Land. The EDA and the City agree to add to the Ground Lease and this Lease certain additional interests in land, and to release from the Ground Lease and this Lease certain portions of the Site, and to substitute other interests in real property for some or all of the portions of the Site so released, but only upon the conditions hereinafter set forth:

(1) The City may, from time to time, add additional real property to the Site subject to the Ground Lease and this Lease if (i) the additional real property is to be the site of a portion of the Improvements, and (ii) the City provides the Trustee with a legal description of the Site covering the additional real property.

(2) The City may, from time to time and with the prior written consent of the Trustee and the EDA, obtain the release of a portion of the Site as now described, if (i) the City certifies that such portion of the Site is not reasonably necessary for the construction of the Facilities and (ii) the unreleased portion of the site is not impaired by such release with respect to ingress and egress, access to dedicated roads and use of the unreleased portion of the site for its then current or intended purposes.

(3) To accomplish the addition, release or substitution of real property as described in paragraph (1) or (2), the City shall prepare and furnish to the Trustee and the EDA amendments or supplements to this Lease, the Indenture, the Ground Lease and any UCC Financing Statements filed in connection with this Lease. The City shall pay all expenses, including attorney's fees, incurred in accomplishing any such addition, release or substitution.

Section 6.7. Compliance with Indenture. During the Term of this Lease, the City agrees to perform all obligations imposed upon the EDA or the City by the Indenture.

Section 6.8. Tax Covenants.

(a) The City covenants and agrees with the EDA for the benefit of the Owners from time to time of the Bonds that it will take, and will cause its officers, employees or agents to take, all actions necessary to comply with the applicable provisions of the Internal Revenue Code, and that it will not take or permit to be taken by any of its officers, employees or agents any actions that would cause the interest on the Bonds to become subject to federal income taxation under the applicable provisions of the Internal Revenue Code.

(b) The City shall take such actions and make all calculations, transfers and payments that may be necessary to comply with the rebate requirements contained in Section 148(f) of the Internal Revenue Code. The City will compute the rebate requirement and make rebate payments in accordance with law. The City will use any funds legally available to make any required rebate payment.

(c) None of the proceeds of the Bonds will be used, directly or indirectly, to replace funds which were used in any business carried on by any person other than a state or local governmental unit.

(d) The payment of the Lease Payments will not be (A) directly or indirectly secured by any interest in (i) property used or to be used for a private business use by any person other than a state or local governmental unit or (ii) payments in respect of such property, or (B) directly or indirectly derived from payments (whether or not by or to the EDA or the City), in respect of property or borrowed money, used or to be used for a private business use by any person other than a state or local governmental unit.

(e) None of the proceeds of the Bonds will be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(f) Except as provided below, no user of the Facilities or other property financed with proceeds of the Bonds will use the Facilities or such other property in a trade or business on any basis other than the same basis as the general public; and no person other than a state or local governmental unit will be a user of the Facilities or such other property in a trade or business as a result of (i) ownership, or (ii) actual or beneficial use pursuant to a lease or a management or incentive payment contract, or (iii) joint venture or any other similar arrangement. Notwithstanding the foregoing, the City may permit up to 10% of the useable square footage of the Facilities to be used in the trade or business of a person other than a governmental unit.

Section 6.9. Financial Statements. The City shall provide the Trustee as soon as they are available, annual audited financial statements of the City. The Trustee shall have no duty to review, verify or analyze any financial statements delivered to it hereunder and shall hold such financial statements solely as a repository for the benefit of the Owners. The Trustee shall not be deemed to have notice of any information contained therein or Event of Default which may be disclosed therein in any manner.

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Section 6.10. UCC Covenants.

(a) The City shall inform the Trustee in writing within 10 days of any change, amendment, or modification of its place of organization, form of organization, or change in City's name (including, but not by way of limitation, resulting from mergers, acquisitions, tax free exchanges, or other transactions) (all of which are sometimes referred to as "Corporate Changes," regardless of whether the City is organized as a corporation, partnership, limited partnership, limited liability company, limited liability partnership, sole proprietorship, or other form of entity recognized under the law of the state in which the City is organized), and the City shall prepare, execute and record as soon as reasonably practicable any and all amendments to UCC financing statements required to insure that the security interest of the Trustee in any and all collateral of the City remains fully perfected. The City shall be responsible for filing any UCC financing statements necessary in connection with the closing on the Bonds and any continuation statements necessary in connection therewith.

The City shall provide the Trustee with copies of any Debtor Termination Statement (as such term is defined below) the City files in violation of the covenant contained in this document at Section 6.10(b).

(b) The City shall not file or record any instrument or document with any entity, officer or office having responsibility for recording of security interests which purports to terminate, vitiate or extinguish a security interest in the collateral in which the Trustee holds a security interest. (A "Debtor Termination Statement").

(c) The Trustee is a third-party beneficiary of all covenants made by the City under this Section.

Section 6.11. Continuing Disclosure Certificate. Upon issuance of the Bonds, the City will execute the Continuing Disclosure Certificate and will carry out the City's undertakings described therein for the benefit of the EDA, the Participating Underwriters (as defined herein), and the Owners.

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ARTICLE VII

Insurance and Indemnification; Damage, Destruction and Condemnation

Section 7.1. Liability Insurance. During the Term of this Lease the City shall procure and maintain continuously in effect with respect to the Site and Facilities, insurance against liability for injuries to or death of any person or damage to or loss of property arising out of or in any way relating to the maintenance, use or operation of the Site, the Facilities or any part thereof, in amounts not less than the City's tort liability limits under Minnesota Statutes, Chapter 466 for death of or personal injury to any one person, in amounts not less than the City's tort liability limits under Minnesota Statutes, Chapter 466 for all personal injuries and deaths arising out of any one occurrence, and in amounts not less than the City's tort liability limits under Minnesota Statutes, Chapter 466 for property damage arising out of any one occurrence. The Net Proceeds of all such insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the insurance proceeds may be paid. It is understood that with respect to persons or entities other than the EDA, this insurance covers any and all liability of the City and its officers, employees and agents. As an alternative to the purchase of liability insurance, the City may self-insure against such liabilities in accordance with the provisions of applicable law. Policies of commercial insurance may include deductibles of no more than 10% of policy amounts.

Section 7.2. Property Insurance. During the Term of this Lease, the City shall procure and maintain continuously in effect, to the extent of the full replacement value of the Facilities, other than building foundations, insurance against loss from or damage by vandalism and fire, with a uniform standard extended coverage endorsement limited only as may be provided in the standard form of extended coverage endorsement at the time in use in the State of Minnesota, in such amount as will be at least sufficient so that a claim may be made for the full replacement cost of any part thereof damaged or destroyed. All policies (or endorsements or riders) evidencing insurance required in this Section shall be carried in the names of the City, the EDA and the Trustee as their respective interests may appear. The Net Proceeds of Insurance required by this Section shall be applied as provided in this Article VII.

Section 7.3. Administration of Claims, Etc. Neither the City, the EDA nor the Trustee shall be required to prosecute any claim against or contest any settlement proposed by any insurer, but any of them may prosecute any such claim or contest any such settlement. In the event of a contest by the City, it shall be at the City's expense, and the City may bring such claim or contest in the name of the EDA, the City or both, and the EDA will join therein at the City's written request upon the receipt by the EDA of an indemnity from the City against all costs, liabilities and expenses in connection with such claim or contest.

Section 7.4. Other Insurance and Requirements for All Insurance. All insurance required by this Article may be carried under a separate policy or a rider or endorsement; shall be taken out and maintained with responsible insurance companies organized under the laws of one of the states of the United States and qualified to do business in the State of Minnesota; shall contain a

provision that the insurer shall not cancel or revise coverage thereunder without giving written notice to the City and the Trustee at least 30 days before the cancellation or revision becomes effective; and shall name the City, the EDA and the Trustee as insured parties. The insurance required by Sections 7.1 and 7.2 hereof may be provided by the City pursuant to an umbrella policy which provides coverage for the amounts and the insurable incidents provided in such Sections. Annually, the City shall provide to the Trustee a certificate from an insurance consultant stating that all insurance required by this Article VII is in effect and complies with the requirements of this Article VII.

Section 7.5. Indemnification. As between the EDA and the City, to the extent permitted by the laws of the State of Minnesota, the City assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Facilities and for injury to or death of any person or damage to any property, whether such injury or death be with respect to agents or employees of the City, the EDA or of third parties, and whether such property damage be to the City or the EDA's property or the property of others, which is proximately caused by the negligent conduct of the City, its officers, employees, agents and lessees, or arising out of the operation, maintenance or use of the Site and the Facilities by the City, its officers, employees, agents and lessees. The City hereby assumes responsibility for and agrees to reimburse the EDA for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorney's fees) of whatsoever kind and nature, imposed on, incurred by or asserted against the EDA or its officers or employees that in any way relate to or arise out of a claim, suit or proceeding based in whole or in part on the foregoing, to the maximum extent permitted by law.

To the extent permitted by the laws of the State of Minnesota, the City shall indemnify, defend, protect and hold the Trustee harmless from and against any and all losses, liability, damages, costs or expenses that the Trustee may suffer or incur arising out of or in connection with the acceptance or administration of the Indenture or the trusts thereunder or the performance of its duties thereunder or under this Lease or the Ground Lease (unless such liability is adjudicated to have resulted from the negligence or willful misconduct of the Trustee). The indemnification obligations of the City hereunder shall survive the termination of this Indenture, the Lease and the Ground Lease, the payment in full of the Bonds, and the resignation or removal of the Trustee. Nothing in this section will be construed to limit or affect any limitations on liability of the City or EDA under State or federal law, including without limitation Minnesota Statutes, Sections 466.04 and 604.02.

Section 7.6. Hazardous Substance Indemnification. The City agrees, to the extent permitted by the laws of the State of Minnesota, to defend, indemnify and hold harmless the EDA and the Trustee, their officers, employees, agents, successors and assigns (the "Indemnitees") from and against, and shall reimburse the Indemnitees for, any and all loss, claim, liability, damage, judgment, penalty, injunctive relief, injury to personal property or natural resources, cost, expense, action or cause of action arising in connection with or as the result of any past, present or future existence, use, handling, storage, transportation, manufacture, release or disposal of any Hazardous Substance in, on or under the land upon which the Project is located, whether foreseeable or unforeseeable, regardless of the source, the time of occurrence or the time of discovery (collectively referred to as "Loss"). This indemnification against Loss

includes, without limitation, indemnification against all costs in law or in equity or removal, response, investigation, or remediation of any kind, and disposal of such Hazardous Substances, all costs of determining whether the land upon which the Project is located, is in compliance with, and of causing the land upon which the Project is located, to be in compliance with, all applicable Environmental Laws, all costs associated with claims for damages to persons, property, or natural resources, and the Indemnitees' reasonable attorneys' and consultants' fees, court costs and expenses incurred in connection with any of the above. For this purpose "Hazardous Substance" shall be defined as any substance, the presence of which requires investigation, permitting, control or remediation under any federal, state or local statute, regulation, ordinance or order, including without limitation:

(a) any substance defined as "hazardous waste" under the Resource Conservation and Recovery Act, as amended (42 U.S.C. §6901, et seq.);

(b) any substance defined as a "hazardous substance" under the Comprehensive Environmental Response, Compensation and Liability Act, as amended (42 U.S.C. §9601, et seq.);

(c) any substance defined as a "hazardous material" under the Hazardous Materials Transportation Act (49 U.S.C. §1800, et seq.);

(d) any substance defined under any Minnesota statute analogous to (a), (b) or (c), to the extent that said statute defines any term more expansively;

(e) asbestos:

(f) urea formaldehyde;

(g) polychlorinated biphenyls;

(h) petroleum, or any distillate or fraction thereof;

(i) any hazardous or toxic substance designated pursuant to the laws of the State of Minnesota; and

(j) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority.

The indemnification obligations of the City hereunder shall survive the termination of the Indenture, this Lease and the Ground Lease, the payment in full of the Bonds, and the resignation or removal of the Trustee.

Section 7.7. Damage, Destruction and Condemnation. If the Facilities or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty or title to or the temporary use of the Facilities or any part thereof, or the interest of the City or the EDA in the Site or the Facilities or any part thereof is taken under the exercise of the power of eminent

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domain by any governmental body or by any person, firm or corporation acting under governmental authority, the City shall have the rights with respect to the Net Proceeds of any insurance or condemnation award specified in this Section, but the City shall be obligated to continue to pay the Lease Payments and Additional Lease Payments due with respect to the Facilities. All Net Proceeds shall be applied to the prompt repair, restoration, modification, improvement or replacement of the Site and the Facilities by the City, or, if the City elects not to repair or rebuild, all Net Proceeds shall be applied to prepay the Lease Payments and Additional Lease Payments; in either event all Net Proceeds not needed for the purpose shall belong to the City. In the event Net Proceeds exceed $100,000, they shall be held by the Trustee and disbursed in payment of costs of repair, restoration, modification, improvement or replacement substantially in accordance with the procedure for disbursement of Bond proceeds from the Project Fund in Article IV of the Indenture.

Section 7.8. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification, improvement or replacement of the Site and the Facilities, the City shall either: (a) complete the work and pay any cost in excess of the amount of the Net Proceeds, and the City agrees that if by reason of any such insufficiency of the Net Proceeds, the City shall make any payments pursuant to the provisions of this Section 7.8, the City shall not be entitled to any reimbursement therefor from the EDA nor shall the City be entitled to any diminution of the Lease Payments or Additional Lease Payments due with respect to the Facilities; or (b) prepay the Lease Payments and Additional Lease Payments, in which event the Net Proceeds shall be used for this purpose. If the City elects not to repair, rebuild or restore, the City shall prepay or discharge the Lease Payments and Additional Lease Payments to the full extent of the Net Proceeds.

Section 7.9. Cooperation of EDA. The EDA shall cooperate fully with the City at the expense of the City in filing any proof of loss with respect to any insurance policy covering the casualties described in Section 7.7 hereof and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Site or the Facilities or any part thereof and will, to the extent it may lawfully do so, permit the City to litigate in any proceeding resulting therefrom in the name of and on behalf of the EDA. In no event will the EDA voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim or any prospective or pending condemnation proceeding with respect to the Site or the Facilities or any part thereof without the written consent of the City and the Trustee.

Section 7.10. Condemnation of Other Property Owned by the City. The City shall be entitled to the Net Proceeds of any condemnation award or portion thereof made for destruction of, damage to or taking of its property not included in the Site or Facilities.

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ARTICLE VIII

Option to Purchase; Option to Prepay

Section 8.1. Option to Purchase or Prepay. The City shall have the option at any time to purchase the Site, the Facilities and any other Improvements by payment to the Trustee of the Purchase Price then applicable, or to prepay unpaid Lease Payments and Additional Lease Payments, in whole or in part.

Section 8.2. Exercise of Option. The City shall give notice to the EDA of its intention to exercise its purchase or prepayment option not less than 45 days in advance of the date of prepayment or purchase, and shall pay to the EDA on the date of prepayment or purchase the prepayment amount or (in the event of a purchase) an amount equal to the then current Purchase Price, less any Net Proceeds to be applied to the amount to be so paid in accordance with Section 7.8.

Section 8.3. Provision for Payment of Purchase Price; Discharge of City's Obligation. The City may at any time provide for the payment of the Purchase Price or discharge its obligation to pay Lease Payments due under this Lease by depositing irrevocably in escrow with a bank or trust company, cash or direct obligations of the United States, bearing interest payable at such times and at such rates and maturing on such dates, but not callable prior thereto, as shall be required to provide moneys sufficient to pay or prepay all unpaid Lease Payments and the applicable redemption premium, if any, on the Outstanding Bonds, on the dates when they are due or subject to prepayment as provided in Section 8.1, as determined by the City, together with (i) computations and an opinion letter of a certified public accounting firm showing and attesting to the sufficiency of such moneys and securities for this purpose, (ii) an opinion letter of Bond Counsel stating that the deposit of such cash or securities will not cause the Bonds to become "arbitrage bonds" under Section 148 of the Internal Revenue Code, and (iii) an opinion letter of Independent Counsel who is nationally recognized bankruptcy counsel that payment of principal and interest on the Bonds with such moneys or securities will not constitute a voidable preference under the provisions of 11 U.S.C. §544 or 547.

Section 8.4. Prerequisite; No Default. The City may exercise the rights specified in Sections 8.1, 8.2, and 8.3 only if it is not in default under this Lease.

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ARTICLE IX

Assignment, Subleasing, Indemnification, Mortgaging and Selling

Section 9.1. Assignment by EDA. Except as expressly provided in this Section, the EDA's rights and obligations under this Lease, including the right to receive and enforce payment of the Lease Payments and Additional Lease Payments to be made by the City under this Lease and its interest in the Site and the Facilities, shall not be assigned, pledged, mortgaged or transferred, in whole or in part, except to the Trustee pursuant to the Indenture. The City hereby approves the assignment made by the EDA to the Trustee under the Indenture of its interest in the Site, the Facilities, the Ground Lease, this Lease and the Lease Payments to become due hereunder.

Section 9.2. Assignment and Subleasing by the City. The rights and obligations of the City under this Lease may not be assigned by the City without the written consent of the EDA and the Trustee. The City may sublease the Project, or any portion thereof, to any other entity, provided that the City furnishes to the EDA and the Trustee an Opinion of Counsel, who is nationally recognized bond counsel, that such sublease will not adversely affect the validity of the Outstanding Bonds or the exemption of the interest thereon from federal income taxation. The EDA acknowledges that the City intends to enter into a sublease or other arrangement with Hennepin County, Minnesota for the use of a portion of the Facilities as a library facility during all or a portion of the Term of this Lease.

Section 9.3. Restriction on Mortgage or Sale of Project by the City. Except as otherwise provided herein, without the prior written consent of the EDA and the Trustee, the City will not mortgage, sell, assign, transfer or convey the Site or the Facilities or any portion thereof during the Term of this Lease.

Section 9.4. Assignment, Subleasing, Mortgaging and Selling of Excluded Property. Nothing in this Agreement shall prohibit the City from assigning, subleasing, mortgaging, selling of or otherwise using the Excluded Property in its sole discretion.

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ARTICLE X

Events of Default and Remedies

Section 10.1. Events of Default Defined. Any one or more of the following events shall be an "Event of Default" under this Lease:

(a) Failure by the City to pay any Lease Payment, Additional Lease Payment, or other payment required to be paid hereunder at the time and from the sources specified herein.

(b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in clause (a) of this Section, for a period of 60 days after written notice specifying such failure and requesting that it be remedied has been given to the City by the EDA or the Trustee,; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, such failure shall not constitute an Event of Default if corrective action is instituted by the City within the applicable period and diligently pursued and the default is corrected within 270 days of such notice.

(c) The occurrence of any of the following events:

(i) The City shall (a) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee, liquidator or the like of the City or of all or a substantial part of its property, (b) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), or (c) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts; or

(ii) A proceeding or case shall be commenced, without the application or consent of the City, as the case may be, in any court of competent jurisdiction, seeking (a) the liquidation, reorganization, dissolution, winding-up, or the composition or adjustment of debts, of the City, (b) the appointment of a trustee, receiver, custodian, liquidator or the like of the City, or (c) similar relief in respect of the City under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, and such proceeding or case has not been dismissed within 60 days of the filing thereof.

The provisions of Section 10.1(b) are subject to the following limitation: if by reason of force majeure either party is unable in whole or in part to carry out its obligations under this Lease, it shall not be deemed in default during the continuance of such inability or during any other delays which are a direct consequence of the force majeure inability, and the time for such performance shall be extended to cover such delays. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the

United States of America or any of its departments, agencies or officials, or any civil or military authority, or the State of Minnesota or any of its departments, agencies or officials; insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of a party and not resulting from its negligence. Each party agrees, however, to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its agreements.

Section 10.2. Remedies on Default. Whenever any Event of Default shall have happened and be continuing, the Trustee may take, but only upon not less than 5 days' written notice to the City, one or any combination of the following remedial steps:

(a) Without terminating this Lease, re-enter and take possession of the Site and the Facilities and exclude the City from using it until the Event of Default is cured; or

(b) Subject to the provisions of Section 5.6, take any action at law or in equity which may appear necessary or desirable to: (i) collect the Lease Payments and Additional Lease Payments then due for the Fiscal Year then in effect, (ii) collect any Lease Payments and Additional Lease Payments to become due and payable during the current Fiscal Year, or (iii) enforce performance and observance of any obligation, agreement or covenant of the City under this Lease; or

(c) Terminate the Term of this Lease, exclude the City from possession of the Facilities, and use its best efforts to lease the Facilities to another for the account of the City, holding the City liable for the difference between the rentals received and the Lease Payments and Additional Lease Payments which would have been receivable hereunder for the Fiscal Year then in effect.

This provision does not limit any other remedies which the Trustee or the EDA may have under the Indenture or any other document.

Section 10.3. Delay; Notice. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle any party to exercise any remedy reserved to it in this Lease it shall not be necessary to give any notice, other than such notice as may be required in this Lease.

Section 10.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the EDA is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 10.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Lease is breached by either party and thereafter waived by the other party, such

waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

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ARTICLE XI

Administrative Provisions

Section 11.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or deposited in the United States mail in certified or registered form with postage fully prepaid:

If to the City:	City of Brooklyn Center City Hall 6301 Shingle Creek Parkway Brooklyn Center, MN 55430 Attn: City Manager
If to the EDA:	Economic Development Authority for the City of Brooklyn Center, Minnesota City Hall 6301 Shingle Creek Parkway Brooklyn Center, MN 55430 Attention: Executive Director
If to the Trustee:	Zions Bancorporation 111 W. Washington Street, Suite 1860 Chicago, IL 60602 Attention: _____

The above-named persons, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 11.2. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the EDA and the City and their respective successors and assigns.

Section 11.3. Severability. In the event any provision of this Lease shall be held invalid or unenforceable by any court or competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.4. Amendments, Changes and Modifications. This Lease may be amended or any of its terms modified only by written amendment authorized and executed by the City and the EDA and in accordance with the terms of the Indenture.

Section 11.5. Further Assurances and Corrective Instruments. The EDA and the City agree that they will, if necessary, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may be necessary for correcting any inadequate or incorrect description of the Site and the Facilities or for carrying out the expressed intention of this Lease.

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Section 11.6. Execution in Counterparts. This Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7. Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State of Minnesota

Section 11.8. Authorized Officers. Whenever under the provisions of this Lease the approval of the EDA or the City is required, or the EDA or the City is required to take some action at the request of the other, such approval of such request shall be given for the EDA or for the City by an Authorized Officer, and any party hereto shall be authorized to rely upon any such approval or request.

Section 11.9. Captions. The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Lease.

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IN WITNESS WHEREOF, the EDA has caused this Lease to be executed in its corporate name by its duly authorized officers; and the City has caused this Lease to be executed in its name by its duly authorized officers and sealed with its corporate seal, as of the date first above written.

ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA

By _____
Its President

By _____
Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by _____ and _____, the President and Executive, respectively, of the Economic Development Authority of Brooklyn Center, Minnesota, a body corporate and politic organized and existing under the Constitution and laws of the State of Minnesota and political subdivision of the State of Minnesota, on behalf of said political subdivision.

_____
Notary Public

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CITY OF BROOKLYN CENTER, MINNESOTA

By _____
Its Mayor

By _____
Its City Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by _____ and _____, the Mayor and City Manager, respectively, of the City of Brooklyn Center, Minnesota, a home rule charter city and political subdivision of the State of Minnesota, on behalf of said political subdivision.

_____
Notary Public

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EXHIBIT A

Description of Site and Facilities

The legal description of the Site is as follows:

Lot 5, Block 1, Shingle Creek Crossing 5th Addition, County of Hennepin, State of Minnesota

Excluding:

[insert metes and bounds description of Excluded Portion]

Permitted Encumbrances include the following:

[identify cross easements for Excluded Portion]

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EXHIBIT B

Schedule of Lease Payments

Lease Payment Due Date Five Business Days Prior To:	Amount
August 1, 2020	$
February 1, 2021	
August 1, 2021	
February 1, 2022	
August 1, 2022	
February 1, 2023	
August 1, 2023	
February 1, 2024	
August 1, 2024	
February 1, 2025	
August 1, 2025	
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February 1, 2032	
August 1, 2032	
February 1, 2033	
August 1, 2033	
February 1, 2034	
August 1, 2034	
February 1, 2035	

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EXHIBIT C

COMPLETION CERTIFICATE

The undersigned officer of the City of Brooklyn Center, Minnesota (the "City"), lessee under that certain Lease-Purchase Agreement dated as of September 1, 2019 (the "Lease"), between the Economic Development Authority of Brooklyn Center, Minnesota (the "EDA") and the City, hereby certifies to the EDA, to Zions Bancorporation, Chicago, Illinois (the "Trustee") as Trustee under a Trust Indenture dated as of September 1, 2019 (the "Indenture") between the EDA and the Trustee, that as of _____, 20__ (the "Completion Date"), the Facilities described in the Lease have been completed in their entirety and are ready to be placed in service and all other property which constitutes the Facilities has been acquired and installed. Construction and acquisition of the Facilities have been completed and the Project Costs have been paid, except for any portion thereof which has been incurred but is not now due and payable, or the liability for the payment of which is being contested or disputed by the City, and for the payment of which the Trustee has been directed to retain specified amounts of moneys within the Project Fund. Notwithstanding the foregoing, this certificate is given without prejudice to any rights against third parties which exist at the date hereof or which may subsequently come into being. Attached as **Exhibit A** to this certificate is a list of the equipment financed with proceeds of the Series 2019B Bonds and included as part of the Facilities. Capitalized terms used in this certificate and defined in the Lease or the Indenture are used with the meanings given therein.

CITY OF BROOKLYN CENTER, MINNESOTA

By _____
Its _____

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Exhibit A to Certificate of Completion
List of equipment financed with Series 2019B Bond proceeds and included as part of the Facilities

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EXHIBIT D

Depiction of Excluded Portion

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$2,620,000
ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA
LEASE REVENUE BONDS (LIQUOR STORE PROJECT), SERIES 2019B

TRUST INDENTURE

Dated as of September 1, 2019

ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA

to

ZIONS BANCORPORATION
as Trustee

DRAFT

This instrument was drafted by

Kennedy & Graven, Chartered (JSB)
200 South Sixth Street
470 U.S. Bank Plaza
200 South Sixth
Minneapolis, MN 55402

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SIGNATURES

Exhibit A Draw Request No. ____
Exhibit B Form of Series 2019B Bond

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TRUST INDENTURE

This TRUST INDENTURE, dated as of the 1st day of September, 2019, by and between the ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA, a public body corporate and politic and political subdivision of the State of Minnesota (the "EDA"), and ZIONS BANCORPORATION, a national banking association with trust powers having a designated corporate trust office and place of business in the City of Chicago, Illinois (the "Trustee");

WITNESSETH:

WHEREAS, the EDA is a duly organized and existing political subdivision under the laws of Minnesota, and the EDA has authority to enter into and perform its obligations under this Indenture pursuant to Minnesota Statutes, Section 465.71, Sections 469.001 to 469.047, Sections 469.090 to 469.1082, Chapter 471, and Chapter 475, as amended, as amended, (herein called the "Act"); and

WHEREAS, pursuant to Minnesota Statutes, Sections 469.091, Subdivision 1, the EDA has the powers of a housing and redevelopment authority under Minnesota Statutes, Sections 469.001 to 469.047; and

WHEREAS, pursuant to a Ground Lease dated as of September 1, 2019 (the "Ground Lease"), the EDA has leased certain land in the City of Brooklyn Center, Minnesota (the "Site") from the City of Brooklyn Center, Minnesota (the "City"); and

WHEREAS, the EDA has agreed to enter into a Lease-Purchase Agreement dated as of September 1, 2019 (the "Lease"), whereby the EDA will lease to the City, with option to purchase, the Site and facilities to be constructed thereon (the "Facilities"); and

WHEREAS, under the Act, the EDA is authorized to issue and sell revenue bonds to finance the construction of the Facilities and related costs and to assign certain of its interests in the Ground Lease and the Lease as security therefor; and

WHEREAS, pursuant to a resolution of the Board of Commissioners of the EDA adopted on August 12, 2019 (the "Bond Resolution"), the EDA has duly authorized and directed the issuance of a series of revenue bonds in the aggregate principal amount of $2,620,000 to be designated "Lease Revenue Bonds (Liquor Store Project), Series 2019B" (the "Series 2019B Bonds"), as in this Indenture provided; and

WHEREAS, under the Lease, the City is required, subject to its right to determine not to appropriate Lease Payments and to terminate the Lease, to make Lease Payments in amounts and at times sufficient to pay the principal of, premium (if any) and interest on the Series 2019B Bonds and any Additional Bonds when due; and

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WHEREAS, the execution and delivery of the Ground Lease, the Lease and this Indenture and the issuance of the Series 2019B Bonds have been in all respects duly and validly authorized by the EDA pursuant to the Bond Resolution; and

WHEREAS, the execution and delivery of this Indenture have been duly authorized by the EDA, and all conditions, acts and things necessary and required by the Constitution and Laws of the State of Minnesota, or otherwise, to exist, to have happened or to have been performed precedent to and in the execution and delivery of this Indenture, and in the issuance of the Series 2019B Bonds, do exist, have happened or have been performed in regular form, time and manner, and the execution and delivery of this Indenture have been in all respects duly authorized; and

WHEREAS, the Trustee has accepted the trust created by this Indenture and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

GRANTING CLAUSES

That the EDA, in order to secure the payment of the principal of, premium (if any) and interest on the Bonds issued under this Indenture according to their tenor and effect and the performance and observance of each and all of the covenants and conditions herein and therein contained, and for and in consideration of the premises and of the purchase and acceptance of the Bonds by the respective purchaser or purchasers and registered Owners thereof, and for other good and valuable consideration, the receipt whereof is hereby acknowledged, has executed and delivered this Indenture and has granted, bargained, sold, assigned, transferred, conveyed, pledged and set over, and by these presents does hereby grant, bargain, sell, assign, transfer, convey, pledge and set over, unto the Trustee, and to its successor or successors in the trust hereby created and to its assigns forever:

I.

All of the rights and interests of the EDA in and to the Ground Lease and the Lease, except for the rights of the EDA relating to expenses, indemnity, payment of attorneys' fees and advances under Sections 4.3, 7.5 and 7.6 of the Lease.

II.

A first lien on and pledge of all right, title and interest in (i) the moneys and investments in the Bond Fund covenanted to be created and maintained under this Indenture, (ii) any moneys and investments in the Project Fund not applied to payment of Project Costs, as further provided herein, and (iii) Net Proceeds of any insurance or condemnation award held by the Trustee pursuant to the terms of the Lease or this Indenture.

III.

Any and all other property of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, assigned or transferred, or in which a security interest is granted by the EDA or the City or by anyone in behalf of either of them or with their written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same according to the terms hereof.

TO HAVE AND TO HOLD all and singular the said property hereby conveyed and assigned, or agreed or intended so to be, to the Trustee, its successor or successors in trust and its and their assigns, FOREVER.

IN TRUST NEVERTHELESS, upon the terms and trust herein set forth, for the equal and proportionate benefit, security and protection of all Owners of the Bonds issued or to be issued under and secured by this Indenture, without preference, priority or distinction as to lien or otherwise of any of the Bonds over any of the others;

PROVIDED, HOWEVER, that if the EDA, or its successors or assigns, shall well and truly pay or cause to be paid the principal of the Bonds and the premium (if any) and interest due or to become due thereon, at the times and in the manner mentioned in the Bonds according to the true intent and meaning thereof, or shall provide, as permitted hereby, for the payment thereof by depositing with the Trustee sums sufficient to pay the entire amount due or to become due thereon, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed and observed by the EDA and shall pay to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof; then upon such final payment this Indenture and the rights hereby granted shall cease, terminate and be void; otherwise, this Indenture to be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said property hereby assigned or pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the EDA agrees and covenants with the Trustee and with the respective Owners from time to time of the said Bonds or any part thereof, as follows:

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ARTICLE I

Definitions and Interpretation

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Article I and in the recitals and succeeding Articles of this Indenture shall, for all purposes of this Indenture and of any indenture supplemental hereto, have the meanings herein specified, such definitions to be equally applicable to both the singular and plural forms of any of the terms defined:

"Act" means, collectively, Minnesota Statutes, Section 465.71, Sections 469.001 to 469.047, Sections 469.090 to 469.1082, Chapter 471, and Chapter 475, as amended, as amended.

"Additional Bonds" means any Bonds issued pursuant to Sections 2.09 through 2.12 hereof.

"Authorized Officer," when used with respect to the City, means its Mayor, its City Manager, its Clerk, or any other person who is designated in writing by the City as an Authorized Officer for purposes of this Lease, and when used with respect to the EDA means its President, Secretary, Executive Director or any other person who is designated in writing by the EDA as an Authorized Officer for purposes of this Lease.

"Bond Fund" means the Bond Fund established under Section 5.01 of this Indenture.

"Bond Resolution" means the resolution adopted by the EDA on August 12, 2019 authorizing the issuance and sale of the Series 2019B Bonds, as the same may be amended, modified or supplemented by any amendments or modifications thereof.

"Bonds" means the Series 2019B Bonds and any Additional Bonds.

"Business Day" means any day on which the Trustee is open for business.

"Certificate" means a certification in writing required or permitted by the provisions either of the Lease or this Indenture signed and delivered to the Trustee or other proper person or persons. If and to the extent required by the provisions of Section 1.02 hereof, each Certificate shall include the statements provided for in said Section 1.02.

"Certified Resolution" means a copy of a resolution of the EDA or the City, certified by the clerk, secretary or other proper person to have been duly adopted and to be in full force and effect on the date of such certification.

"City" means the City of Brooklyn Center, Minnesota, a home rule charter city and political subdivision of the State of Minnesota, and any successor to its functions.

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"Closing Date" means the date on which the Bonds of any series are delivered to the Original Purchaser against payment therefor.

"Construction Period" means the period between the beginning of construction of the Facilities or the date on which the Series 2019B Bonds are first delivered to the Original Purchaser, whichever is earlier, and the Completion Date with respect to the construction of the Facilities, as defined in the Lease.

"Default" means default in the performance or observance of any of the covenants, agreements or conditions contained in this Indenture, or in the Bonds Outstanding hereunder, exclusive of any notice or period of grace required for a default to constitute an "Event of Default" as hereinafter provided.

"EDA" means the Economic Development Authority of Brooklyn Center, Minnesota, a public body corporate and politic and political subdivision of the State of Minnesota, and its successors and assigns as lessor under the Lease.

"Event of Default" means an Event of Default described in Section 7.01 of this Indenture which has not been cured.

"Excluded Portion" means the portion of the building constructed on Lot 5, Block 1, Shingle Creek Crossing 5th Addition, County of Hennepin, State of Minnesota, which is described after the word "Excluding" in **Exhibit A** to the Lease and is depicted in **Exhibit B** to the Lease.

"Facilities" means any buildings, structures and improvements to be constructed as the City's municipal liquor store on the Site, and all furniture, fixtures and equipment to be acquired with proceeds of sale of the Bonds and located thereon. For the avoidance of doubt, the parties acknowledge and agreement that the Facilities do not include the Excluded Portion.

"Ground Lease" means the Ground Lease of even date herewith, by which the City leases the Site to the EDA, as amended or supplemented from time to time.

"Improvements" means any addition, enlargement, improvement, extension or alteration of or to the Facilities as they then exist, and also means any fixtures, structures or other facilities (other than the Facilities) acquired or constructed by the City and located on the Site.

"Indenture" means this Trust Indenture dated as of September 1, 2019, between the EDA and Zions Bancorporation, as Trustee, under which the Bonds are authorized to be issued, and including any amendments or supplements hereto.

"Independent," when used with reference to an attorney, engineer, architect, certified public accountant, consultant or other professional person, means a person who (i) is in fact independent, (ii) does not have any material financial interest in the City or the transaction to which such person's Certificate or opinion relates (other than payment to be received for

professional services rendered), and (iii) is not connected with the EDA or the City as an officer, director or employee.

"Independent Counsel" means an Independent attorney duly admitted to practice law before the highest court of any state.

"Independent Engineer" means an Independent engineer or engineering firm or an Independent architect or architectural firm qualified to practice the profession of engineering or architecture under the laws of Minnesota.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

"Lease" means the Lease-Purchase Agreement of even date herewith between the EDA, as lessor, and the City, as lessee, as amended or supplemented from time to time.

"Lease Payments" means each of the payments due from the City to the EDA on each Lease Payment Date during the Term of the Lease, as shown on Exhibit B to the Lease.

"Net Proceeds," when used with respect to proceeds of insurance or a condemnation award, means moneys received or receivable by the City, as owner or as lessee under the Lease, or the Trustee, as lessee under the Ground Lease or as secured party, of the Site or the Facilities, less the cost of recovery (including attorneys' fees) of such moneys from the insuring company or the condemning authority.

"Opinion of Counsel" means a written opinion of counsel (who need not be Independent Counsel unless so specified) appointed by the City or the EDA and acceptable to the Trustee or appointed by the Trustee. If and to the extent required by the provisions of Section 1.02 hereof, each Opinion of Counsel shall include the statements provided for in said Section 1.02.

"Original Purchaser" means Robert W. Baird & Co., Incorporated.

"Outstanding" when used as of any particular time with reference to Bonds means (subject to the provisions of Section 9.03 of this Indenture pertaining to Bonds owned by the EDA or the City) all Bonds theretofore authenticated and delivered by the Trustee under this Indenture except: (i) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (ii) Bonds for the payment or redemption of which funds or direct obligations of or obligations fully guaranteed by the United States of America in the necessary amount shall have theretofore been deposited with the Trustee (whether upon or prior to the maturity or the redemption date of such Bonds), provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given pursuant to Article III of this Indenture, or provision satisfactory to the Trustee shall have been made for the giving of such notice; and (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to the terms of Section 2.07 pertaining to replacement of Bonds.

"Owner" means the registered owner of any Outstanding Bond.

"Permitted Encumbrances" means, as of any particular time: (i) liens for taxes and assessments not then delinquent, or which the City may, pursuant to provisions of Section 6.3 of the Lease, permit to remain unpaid, (ii) the Ground Lease and the Lease and amendments thereto, (iii) the EDA's and the Trustee's interest in the Facilities, (iv) any mechanic's, laborer's, materialmen's, supplier's or vendor's lien or right not filed or perfected in the manner prescribed by law, (v) such minor defects, irregularities, encumbrances, easements, rights-of-way and clouds on title as normally exist with respect to properties similar in character to the Site and which do not, in the opinion of Independent Counsel, materially impair the property affected thereby for the purpose for which it was intended, and (vi) easements, restrictions or encumbrances, if any, shown on Exhibit A to the Lease.

"Permitted Investments" means any investments, with an appropriate market value and of an appropriate maturity, permitted for the investment of public funds pursuant to Minnesota Statutes, Sections 118A.04 and 118A.05.

"Predecessor Bonds" of any particular Bond means every previous Bond evidencing all or a portion of the same debt as that evidenced by such particular Bond, and for purposes of this definition, any Bond authenticated and delivered under Section 2.07 hereof in lieu of a lost, destroyed or stolen Bond shall be deemed to evidence the same debt as the lost, destroyed or stolen Bond.

"Project" means the acquisition, construction and equipping of the Facilities and related facilities for use by the City on the Site.

"Project Costs" means the costs defined in Section 4.03 of this Indenture.

"Project Fund" means the Project Fund established under Section 4.02 hereof.

"Redeem" or "redemption" means and includes "prepay" or "prepayment" as the case may be.

"Regular Record Date" for the interest payable on any interest payment date on the Bonds of any series means the date specified in the provisions of this Indenture creating such series.

"Responsible Officer" of the Trustee hereunder means and includes the chair of the board of directors, the Chair/President, every vice Chair/President, every assistant vice Chair/President, the cashier, every assistant cashier, every corporate trust officer, and every officer and assistant officer of such trustee, other than those specifically above mentioned, to whom any corporate trust matter is referred because of knowledge of, and familiarity with, a particular subject.

"Series 2019B Bonds" means the $2,620,000 Economic Development EDA of the City of Brooklyn Center, Minnesota Lease Revenue Bonds (Liquor Store Project), Series 2019B, described in Section 2.01 of this Indenture.

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"Site" means the real property described in **Exhibit A** to the Lease, including any property added to or substituted for any portion of the Site, and less any real property released from the Lease pursuant to Article VI of the Lease. For the avoidance of doubt, the parties acknowledge and agree that the Site does not include the Excluded Portion.

"Special Record Date" for the payment of any Defaulted Interest (as defined in Section 2.05 hereof) on Bonds means a date fixed by the Trustee pursuant to Section 2.05 hereof.

"Term Bonds" means the Series 2019B Bonds so identified in Section 2.01 hereof.

"Trustee" means the trustee at the time serving as such under this Indenture.

"Trust Estate" means the interests of the EDA in the Ground Lease and the Lease assigned under Granting Clause I of this Indenture; the revenues, moneys, investments, contract rights, general intangibles and instruments and proceeds and products and accessions thereof as set forth in Granting Clause II of this Indenture; and additional property held by the Trustee pursuant to Granting Clause III of this Indenture.

Section 1.02. Characteristics of Certificate or Opinion. Any Certificate made or given by an officer of the EDA or of the City or by an Independent engineer, architect, consultant or other person may be based, insofar as it relates to legal matters, upon an Opinion of Counsel, unless such person knows that the opinion with respect to the matters upon which the Certificate may be based as aforesaid is erroneous, or, in the exercise of reasonable care, should have known that the same was erroneous. Any such Certificate or Opinion of Counsel may be based, insofar as it relates to factual matters, information with respect to which is in the possession of the EDA or the City, upon a supporting Certificate of an officer or officers of the EDA or the City, unless the signer knows that the supporting Certificate with respect to the matters upon which the Certificate or opinion may be based as aforesaid is erroneous, or, in the exercise of reasonable care, should have known that the same was erroneous.

Section 1.03. Additional Provisions as to Interpretation. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or funds in the necessary amount to pay or redeem any Bonds, the amount so to be deposited or held shall be the principal amount of such Bonds and all unpaid interest thereon to maturity, except that in the case of Bonds which are to be redeemed prior to maturity and in respect of which there shall have been furnished to the Trustee proof satisfactory to it that notice of such redemption on a specified redemption date has been duly given or provision satisfactory to the Trustee shall be made for such notice, the amount so to be deposited or held shall be the principal amount of such Bonds and interest thereon to the redemption date, together with the redemption premium, if any.

Any terms defined in the Lease but not defined herein shall have the same meaning herein unless the context hereof clearly requires otherwise.

This Indenture is governed by and shall be construed in accordance with the laws of Minnesota.

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ARTICLE II

Form, Execution and Registration of Bonds

Section 2.01. Form, Maturities and Numeration of Series 2019B Bonds. The Series 2019B Bonds to be issued and secured under this Indenture shall each be designated "Economic Development Authority of Brooklyn Center, Minnesota Lease Revenue Bond (Liquor Store Project), Series 2019B." The Series 2019B Bonds and Certificates of Trustee shall be substantially in the form set forth in **Exhibit B** hereto. The Series 2019B Bonds shall be issued in fully registered form and shall be in authorized denominations of $5,000 each, or any integral multiple thereof not exceeding the principal amount maturing in any year, initially numbered from R-1 upwards in order of maturity, and the Series 2019B Bonds originally issued, and not in exchange for Predecessor Series 2019B Bonds, shall be dated the Closing Date for the Series 2019B Bonds. Thereafter, any Series 2019B Bonds issued in exchange for Predecessor Series 2019B Bonds shall be dated as of the date to which interest on the Predecessor Series 2019B Bonds has been duly paid or provided for, or the Closing Date, if issued prior to the first interest payment date, and shall be numbered in order of issuance commencing with the next number after the highest number assigned to the initial Series 2019B Bonds. No Series 2019B Bond shall represent principal maturing in different years. The Series 2019B Bonds shall bear interest payable semiannually on February 1 and August 1 of each year, commencing on August 1, 2020, from the Closing Date, or the most recent interest payment date to which interest has been paid or duly provided for. Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30-day months. The principal and redemption price of the Series 2019B Bonds shall be payable to the registered Owners upon presentation at the office of the Trustee, in such coin or currency of the United States of America as may be, on the respective dates of payment thereof, legal tender for the payment of public and private debts, and interest on the Series 2019B Bonds shall be paid by check or draft mailed to the registered Owners at the Owners' registered addresses. The Regular Record Date referred to in Section 2.05 for the payment of interest on the Series 2019B Bonds payable, and punctually paid or duly provided for, on any interest payment date shall be the 15th day (whether or not a Business Day) of the calendar month next preceding such interest payment date. The Series 2019B Bonds shall be issued in the aggregate principal amount of Two Million Six Hundred Twenty Thousand Dollars ($2,620,000), shall mature on the dates and in the amounts, and shall bear interest at the rates per annum, according to dates of maturity, as follows:

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Maturity Date	Principal Amount	Interest Rate	Maturity Date	Principal Amount	Interest Rate
2021			2029		
2022			2030		
2023			2031		
2024			2032		
2025			2033		
2026			2034		
2027			2035		
2028					

Section 2.02. Execution of Bonds. The Bonds shall be signed in the name of the EDA by the manual or the facsimile signature of the President and the Executive Director of the EDA, or, in the absence of either or both of such officers, by other officers of the EDA, said signatures shall be authenticated by the manual signature of a Responsible Officer of the Trustee, which is hereby designated as authenticating agent. In the event that any of the officers whose signatures appear on any Bonds shall cease to be officers of the EDA before such Bond shall have been authenticated or delivered by the Trustee, such Bonds may, nevertheless, be authenticated, delivered, and be binding upon the EDA as though those officers who signed the same had continued to be such officers of the EDA; and, also, any Bond may be signed on behalf of the EDA by such person who, at the actual date of execution of such Bond, shall be the proper officer of the EDA, although at the date of such Bond such person shall not have been such an officer of the EDA. Upon the execution and delivery of this Indenture the EDA shall execute and deliver the Bonds to the Trustee for authentication.

Section 2.03. Authentication of Bonds. No Bonds shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder or under the Lease or the Bond Resolutions unless an authorized representative of the Trustee shall manually endorse and execute on such Bond a certificate of authentication substantially in the form of the Certificate of Trustee hereinabove set forth. Such Certificate of Trustee upon any Bond shall be conclusive evidence that such Bond so authenticated has been duly issued under this Indenture and that the Owner thereof is entitled to the benefits of this Indenture.

No Bonds shall be authenticated by the Trustee except in accordance with this Article.

The Trustee shall not be required to authenticate any Bond unless provided with the documents referred to in Section 2.08.

Section 2.04. Registration, Transfers and Exchange. As long as any of the Bonds issued hereunder shall remain Outstanding, the EDA shall maintain and keep at the office of the Trustee, as paying agent, registration records for the payment of the principal of and interest on the Bonds, as in this Indenture provided, and for the registration and transfer of the Bonds, and shall also keep at the office of the Trustee records for such registration and transfer. The EDA hereby appoints the Trustee, and its successors in the trust from time to time, as its agent to maintain said registration records at the office of the Trustee.

Upon surrender for transfer of any Bond at the office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered Owner or the Owner's duly authorized attorney, and upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer, the EDA shall execute and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more Bonds of the same series, of any authorized denominations and of a like aggregate principal amount, interest rate and maturity.

Except as the right of exchange may be limited as to Bonds of any series, at the option of the registered Owner thereof, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same series, maturity and interest rate of any authorized denominations, upon surrender thereof at the office of the Trustee.

In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the EDA shall execute and the Trustee shall deliver Bonds in accordance with the provisions of this Indenture. For every such exchange or transfer of Bonds, whether temporary or definitive, the EDA or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Indenture, the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the EDA or the Trustee incurred in connection therewith (except any applicable tax, fee or other governmental charge) shall be paid by the City pursuant to the Lease. The EDA and the Trustee shall not be obligated to make any such exchange or transfer of Bonds during the 15 days next preceding the date of the first publication or the mailing (if there is no publication) of notice of redemption in the case of a proposed redemption of Bonds. The EDA and the Trustee shall not be required to make any transfer or exchange of any Bonds called for redemption.

Section 2.05. Payment of Interest on Bonds; Interest Rights Preserved. Interest on any Bond of any series which is payable, and is punctually paid or duly provided for, on any interest payment date shall be paid to the person in whose name that Bond (or one or more Predecessor Bonds) is registered at the close of business on the Regular Record Date for such interest specified in the provisions of this Indenture creating such series.

Any interest on the Bonds which is payable, but is not punctually paid or duly provided for, on any interest payment date (herein called "Defaulted Interest") shall forthwith cease to be payable to the registered Owner on the relevant Regular Record Date solely by virtue of such Owner having been such Owner; and such Defaulted Interest may be paid at the election of the Trustee in each case, as provided in Subsection A or B below:

A. The Trustee may elect to make payment of any Defaulted Interest on the Bonds of any series to the persons in whose names such Bonds (or their respective Predecessor Bonds) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner.

The EDA or the City shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and at the same time the EDA or the City shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Subsection provided and not to be deemed part of the Trust Estate. Thereupon the Trustee may fix a Special Record Date for the payment of Defaulted Interest, which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the City and the EDA of such Special Record Date and, in the name of the EDA and at the expense of the City, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each Owner of a Bond of such series at the Owner's address as it appears in the registration records not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the Bonds of such series (or their respective Predecessor Bonds) are registered on such Special Record Date and shall no longer be payable pursuant to the following Subsection B.

B. Subject to the foregoing provisions of this Section, each Bond delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond and each such Bond shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

Section 2.06. Ownership of Bonds. As to any Bond, the EDA and the Trustee and their respective successors shall deem and treat the person in whose name the same shall be registered as the absolute Owner thereof for all purposes and neither the EDA nor the Trustee nor their respective successors shall be affected by any notice to the contrary. Payment of or on account of the principal of any such Bond shall be made only to or upon the order of the registered Owner thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 2.07. Reissuance of Mutilated, Destroyed, Stolen or Lost Bonds. In case any Outstanding Bond shall become mutilated or be destroyed, stolen or lost, the Trustee shall authenticate and deliver a new Bond of like tenor, number and amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, upon filing with the Trustee evidence satisfactory to the EDA and the Trustee that such Bond has been destroyed, stolen or lost and upon furnishing the EDA, the Trustee and the City with indemnity satisfactory to them and complying with such other reasonable regulations as the EDA, the

Trustee and the City may establish and payment of any expenses which the EDA, the Trustee or the City may incur in connection therewith. In the event any such Bond shall have matured, instead of issuing a substitute Bond, the EDA may pay the same without surrender thereof.

Section 2.08. Conditions for Authentication of Series 2019B Bonds. The Trustee shall not authenticate and deliver the Series 2019B Bonds to be issued and delivered pursuant to this Indenture unless theretofore or simultaneously therewith there shall have been delivered to the Trustee the following:

(a) Certified copies of the Bond Resolution authorizing the issuance of the Series 2019B Bonds and the execution and delivery of the Ground Lease, the Lease and this Indenture, and of the resolution adopted by the City, giving approval to the Project and authorizing the execution and delivery of the Ground Lease and the Lease.

(b) Executed counterparts of the Ground Lease, the Lease and this Indenture, and UCC-1 financing statements executed by the City as Debtor and describing as collateral any tangible personal property leased pursuant to the Lease, and by the EDA as Debtor and describing as collateral the property granted to the Trustee pursuant to the granting clauses hereof.

(c) The manually signed approving opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, as Bond Counsel, concerning the validity and legality of the Series 2019B Bonds and exclusion of interest thereon from gross income under the Internal Revenue Code.

(d) A Certificate of an Authorized Officer of the City to the effect that the City has deposited in the Project Fund, or has expended for Project Costs, or has on hand such amounts of money as are currently estimated to be needed to meet Project Costs for the Project in excess of the proceeds of the Series 2019B Bonds to be deposited in the Project Fund pursuant to Section 4.01 hereof, plus the amount necessary to pay the costs of construction of the Excluded Portion.

(e) An order for authentication and registration of the Series 2019B Bonds, signed by the Executive Director or other officer of the EDA, specifying the aggregate principal amount of the Series 2019B Bonds to be issued and directing the Trustee to deliver the Series 2019B Bonds to or upon the order of the Original Purchaser upon payment of the purchase price therefor.

(f) A certificate of the EDA pursuant to Section 148 of the Internal Revenue Code as to the absence of arbitrage expectation with respect to the Series 2019B Bonds, which certificate may be based on certifications of the City.

(g) Such further certifications, documents and Opinions of Counsel as the EDA or Bond Counsel may require.

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Section 2.09. Additional Bonds; Generally. The EDA, upon request of the City, may issue Additional Bonds of any series in amounts which are sufficient to pay the cost of completing the Project, acquiring, constructing or equipping Improvements and refunding Outstanding Bonds, to pay the costs of issuing such Additional Bonds, and, in the case of Additional Bonds issued to pay the cost of Improvements, to fund interest payable on such Additional Bonds for a period of time not to exceed 6 months beyond the completion of any Improvements financed with the proceeds thereof.

Section 2.10. Additional Bonds to Pay the Cost of Improvements. Additional Bonds of any series may be issued, at one time or from time to time, subject to the conditions hereinafter described, in an aggregate amount sufficient with any other funds available and committed therefor, to pay the cost of any Improvements, including Improvements located on real property contiguous with the Site, if such real property is to be acquired by the City and leased to the EDA pursuant to the Ground Lease; provided, however, that such real property, whether or not financed with the proceeds of Additional Bonds shall, as a condition to the issuance of such Additional Bonds, be subjected to the Ground Lease and the Lease and become part of the Site, and the City, the Trustee and the EDA shall take all action necessary to so provide.

Section 2.11. Additional Bonds for Refunding Purposes. Additional Bonds may be issued at any time or from time to time, subject to the conditions hereinafter described, for the purpose of providing funds, with any other funds available and committed therefor, for paying at their stated maturities or earlier optional redemption date all the Outstanding Bonds of any one or more series, including the payment of any interest which will accrue on such Bonds to the stated maturities or earlier optional redemption date thereof, and any expenses in connection with such refunding.

Section 2.12. Delivery of Additional Bonds. Additional Bonds of any series may be executed by the EDA and delivered to the Trustee for authentication, but only upon receipt by the Trustee of the following:

(a) An executed counterpart of the Supplemental Indenture creating such Additional Bonds;

(b) Executed counterparts of amendments to the Ground Lease and the Lease adding the property, if any, financed with the Additional Bonds to the Site and providing for additional Lease Payments sufficient to provide for the payment of principal, premium, if any, and interest on all Bonds to be Outstanding after the issuance of the Additional Bonds.

Section 2.13. Book-Entry Only System.

(a) The Series 2019B Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 2.01 hereof. Upon initial issuance, the ownership of each such Series 2019B Bond will be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns ("DTC").

Except as provided in this Section, all of the Outstanding Series 2019B Bonds will be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds of any series registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, the EDA, the City and the Trustee will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (the "Participants") or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person other than a registered Owner of Bonds, as shown by the registration books kept by the Trustee, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered Owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The EDA, the City and the Trustee may treat and consider the person in whose name each Bond is registered in the registration books kept by the Trustee as the absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers of such Bond, and for all other purposes. The Trustee will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered Owners, as shown in the registration books kept by the Trustee, and all such payments will be valid and effectual to fully satisfy and discharge the EDA's obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered Owner of Bonds, as shown in the registration books kept by the Trustee, will receive a certificated Bond evidencing the obligation of this Indenture. Upon delivery by DTC to the Trustee of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co.," will refer to such new nominee of DTC.

(c) The form of representation letter proposed to be submitted to DTC, which is on file with the EDA and the Trustee (the "Representation Letter"), is hereby approved, and the Executive Director and the Trustee are authorized to execute and deliver the Representation Letter in substantially the form on file, with such changes therein not inconsistent with law as the Executive Director and the Trustee may approve, which approval will be conclusively evidenced by the execution thereof.

(d) In the event the EDA, by resolution, determines that it is in the best interests of the persons having beneficial interests in the Bonds of any series issued in book-entry form that they be able to obtain Bond certificates, the EDA will notify the Trustee, which will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the EDA will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Indenture. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the EDA and the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the EDA will issue and the Trustee will authenticate Bond certificates in accordance

with this Indenture and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

(e) Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond will be made and given, respectively in the manner provided in the Representation Letter.

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ARTICLE III

Redemption of Bonds

Section 3.01. Redemption of Series 2019B Bonds. The Series 2019B Bonds are subject to extraordinary redemption on any Business Day in whole or in part, at a redemption price equal to par, plus accrued interest to the redemption date, at the election of the EDA or, in accordance with the Lease, the City, upon the happening of certain events of damage to or destruction or condemnation of the Site or the Facilities or change of law rendering the Lease unenforceable or impossible of performance, all as more fully provided in Section 7.7 of the Lease.

The Series 2019B Bonds maturing on or after February 1, 202__ are subject to optional redemption, at the election of the EDA or, in accordance with the Lease, the City, in whole or in part, and if in part in such manner as the EDA or, in accordance with the Lease, the City shall determine, on August 1, 202__ and any date thereafter, at a redemption price of par plus accrued interest.

Notice of any redemption of Series 2019B Bonds, shall be mailed in the form provided by Section 3.02 and in the manner and to the extent required by Section 3.03. Prior to the date fixed for redemption, funds shall be deposited with the Trustee sufficient to pay the Series 2019B Bonds called and accrued interest thereon. Upon the happening of the above conditions, any Series 2019B Bonds thus called shall not bear interest on or after the redemption date, and except for the purpose of payment by application of the funds so deposited, shall no longer be protected by this Indenture.

Section 3.02. Written Notice to Trustee. The EDA (upon direction of the City) shall provide the Trustee, not less than 45 days before the redemption date, written notice of its election to redeem Bonds, describing the Outstanding Bonds to be redeemed, the date of redemption, and the redemption price.

Section 3.03. Mailing and Publication of Notice. Notice of redemption (including when only a portion of the Bonds is to be redeemed, the series and numbers of such Bonds) shall be mailed by the Trustee, not less than 30 days before the redemption date, by first class mail, to the registered Owners of any Bonds which are to be redeemed, at their last addresses appearing upon the registration books maintained by the Trustee No notice of redemption need be given if the Owners of all Bonds called for redemption waive notice thereof in writing and such waiver is filed with the Trustee. The Trustee may provide a conditional notice of redemption upon the direction of the EDA or the City. If a conditional notice of redemption has been provided and the conditions are not satisfied, such notice of redemption shall be of no force and effect and the Bondholders shall be restored to their former positions as though no such notice of redemption had been delivered.

The Trustee also shall provide a copy of such notice in an electronic format to DTC and as prescribed by the Municipal Securities Rulemaking Board (the "MSRB"), together with such

identifying information as is prescribed by the MSRB, at least 30 days and not more than 45 days prior to such redemption date.

Section 3.04. Deposit for Redemption. On or prior to the redemption date, there shall be deposited with the Trustee cash in an aggregate amount which shall be sufficient to pay the redemption price of the Bonds to be redeemed and interest thereon to the redemption date; and there shall be deposited, or arrangements shall be made with the Trustee to deposit, with the Trustee a sum sufficient to pay the proper expenses and charges of the Trustee in connection with such redemption. Upon deposit with the Trustee of the aggregate amount of such redemption price and interest into the Bond Fund, such moneys shall be set aside by the Trustee and held by it for the account of the respective Owners of the Bonds being redeemed.

Section 3.05. Payment of Redeemed Bonds. After notice of redemption shall have been given as provided in Section 3.03, the Bonds specified in such notice shall become due and payable on the redemption date. Payment of the redemption price and interest shall be made to or upon order of each registered Owner, upon the surrender of the Bonds. Any installment of interest maturing on or prior to the redemption date shall be payable to the registered Owners of Bonds on the relevant Record Dates according to the terms of such Bonds and the provisions of Section 2.05 hereof and the notice of redemption herein provided for may so state. Notice of redemption having been given in the manner provided in this Article III and if either there were no conditions to such redemption or the conditions have been satisfied, and redemption moneys are available for the payment of all of the Bonds called for redemption on the redemption date, the Bonds so called shall cease to accrue interest on or after the redemption date, and such Bonds shall not be deemed to be Outstanding hereunder for any purpose, except that the Owners thereof, on presentation, as herein provided, shall be entitled to receive payment of the redemption price and interest accrued thereon to the redemption date from the moneys set aside by the Trustee as aforesaid.

Section 3.06. Cancellation of Redeemed Bonds. All Bonds so redeemed shall forthwith be canceled and destroyed by the Trustee; and no further Bonds shall be executed or authenticated or issued hereunder in exchange or substitution therefor.

Section 3.07. Partial Redemption of Bonds. If less than all of the Bonds of a series of a particular maturity at the time Outstanding are to be called for prior redemption, the particular Bonds or portions thereof of such maturity to be redeemed shall be selected randomly or by lottery except as otherwise provided herein. The Trustee shall call for redemption in accordance with the foregoing provisions as many Bonds or portions thereof as will, as nearly as practicable, exhaust the moneys available therefor. Particular Bonds or portions thereof shall be redeemed only in integral multiples of principal amount of $5,000.

In the case of Bonds of denominations greater than $5,000, if less than all of such Bonds then Outstanding are to be called for redemption, then for all purposes in connection with redemption, each $5,000 of principal amount shall be treated as though it was a separate Bond of the denomination of $5,000. If it is determined that one or more, but not all of the $5,000 units of principal amount represented by any such Bond is to be called for redemption, then upon notice of intention to redeem such $5,000 unit or units, the Owner of such Bond shall forthwith

surrender such Bond to the Trustee (1) for payment of the redemption price (including the redemption premium, if any, and interest to the date fixed for redemption) of the $5,000 unit or units of principal amount called for redemption and (2) exchange for a new Bond or Bonds of the aggregate principal amount of the unredeemed balance of the principal amount of such Bond, shall be issued to the Owner without charge therefor. If the Owner of any such Bond of a denomination greater than $5,000 shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, such Bond shall nevertheless become due and payable on the date fixed for redemption to the extent of the $5,000 unit or units of principal amount called for redemption (and to that extent only). Interest shall cease to accrue on the portion of the principal amount of such Bond represented by such $5,000 unit or units of principal amount on and after the date fixed for redemption; provided, that funds sufficient for the payment of the redemption price shall have been deposited with the Trustee and shall be available for the redemption of said $5,000 unit or units on the date fixed for redemption, and in such event, such Bond shall not be entitled to the benefit or security of this Indenture or the Bond Resolution to the extent of the portion of its principal amount (and accrued interest thereon to the date fixed for redemption and applicable premium, if any) represented by such $5,000 unit or units of principal amount, nor shall new Bonds be thereafter issued corresponding to said unit or units.

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ARTICLE IV

Bond Proceeds; Project Fund

Section 4.01. Deposit of Series 2019B Bond Proceeds. The EDA shall deposit, or shall direct the Original Purchaser of the Series 2019B Bonds to deposit, with the Trustee all of the net proceeds of the sale of the Series 2019B Bonds (including accrued interest thereon from the date from which interest is to be paid thereon to the date of delivery to the Original Purchaser), and out of such proceeds the Trustee shall:

(i) Deposit to the credit of the Bond Fund an amount equal to the accrued interest ($_____); and

(ii) Deposit to the credit of the Project Fund the balance of such proceeds, $_____.

Section 4.02. Establishment of Project Fund. The EDA hereby establishes a fund (the "Project Fund") with the Trustee and, on the Closing Date, there shall be deposited with the Trustee to the credit of the Project Fund proceeds of the Series 2019B Bonds, as provided in clause (ii) of Section 4.01. As provided in Section 4.05 hereof, Construction Period income and profit from the investment of moneys in the Project Fund shall be credited to the Project Fund. In addition to such proceeds of the Series 2019B Bonds, income and profit, the City has covenanted in Section 3.2 of the Lease that if the moneys in the Project Fund shall not be sufficient to pay the Project Costs in full, then the City shall pay all that portion of the Project Costs in excess of the moneys available therefor, which, together with such proceeds, income and profit will be sufficient to finance the total Project Costs. The EDA has no obligation to deposit any moneys in the Project Fund or to apply moneys to Project Costs except proceeds of Bonds or funds made available therefor by the City.

The moneys in the Project Fund shall be held in trust by the Trustee and applied to the payment of the Project Costs in accordance with and subject to the provisions of this Article, and pending such application shall be subject to a lien and charge in favor of the Owners of the Bonds issued and Outstanding under this Indenture and shall be held for the further security of such Owners until paid out as herein provided.

Section 4.03. Project Costs Defined. For the purposes of this Article, Project Costs do not include any costs of the Excluded Portion and shall include, without intending thereby to limit or restrict any proper definition of such cost under any applicable laws and generally accepted accounting principles, the following:

(a) Obligations incurred for labor (including payroll cost of City employees according to time spent by such employees on the Project) and to contractors, builders and material suppliers in connection with the acquisition, construction, reconstruction, renovation and installation of the Project, including obligations for machinery, materials and equipment therefor;

(b) Costs of acquisition of land and all interests in land required specifically for the Site, Site improvements required for the construction or operation of the Project, demolition of any existing building on the Site and removal of any equipment therefrom (net of any salvage).

(c) The cost of any indemnity and surety bonds deemed necessary by the City, the fees and expenses of the Trustee and any paying agent during the Construction Period, taxes and other municipal or governmental charges levied or assessed during the Construction Period on the Site, and any premiums for insurance incurred in connection with the Project during the Construction Period;

(d) Costs of acquisition and installation of equipment, furnishings and other tangible personal property required for the Project;

(e) Fees and expenses of engineers and architects for surveys, estimates and other preliminary investigations, preparation of plans, drawings and specifications, and supervising construction, as well as for the performance of all other duties of engineers and architects in relation to the Project or the issuance of the Bonds therefor, including the costs of such services as may have been performed by employees of the City;

(f) Expenses of administration, supervision and inspection properly chargeable to the Project, administrative fees and other expenses relating to the Project, title insurance premiums, abstracting and filing fees, legal expenses and fees, fiscal consultant fees and expenses, cost of audits and of preparing, offering, selling and issuing any of the Bonds, all other expenses relating to the issuance, sale and delivery of the Bonds and any other costs which are treated as "issuance costs" within the meaning of Section 147(g) of the Internal Revenue Code and initial fees of the Trustee; and

(g) Any other obligation or expense heretofore or hereafter incurred by the City in connection with the Project defined as and constituting a proper Project cost and approved by an Authorized Officer of the City.

Section 4.04. Payments from Project Fund. Each of the payments referred to in Section 4.03, including interest on the Bonds during the Construction Period, shall be made from the Project Fund only upon receipt of a Draw Request executed by an Authorized Officer of the City in substantially the form attached hereto as **Exhibit A**. The Draw Request shall set forth the following: (1) the requisition number, (2) the name and address of the person, firm or corporation to whom payment is due or has been made, (3) the amount to be paid, (4) the percentage of the cost attributable to Project Costs, (5) the purpose to which such payment is to be applied, and (6) that each obligation, item of cost or expense mentioned therein has been properly incurred and is a proper charge against the Project Fund and has not been the basis of any previous withdrawal. Such requisitions shall be submitted no more often than twice a month, and the Trustee shall issue its check for each payment required by each such requisition within three Business Days after receipt of said statement.

In the case of any construction contract providing for the retention of a portion of the contract price, the amount of the Draw Request shall be limited to the net amount remaining after deduction of any such portion. All payments made from the Project Fund shall be presumed by the Trustee to be made for the purposes certified in said statement, and the Trustee shall not be required to see to the application of any payments made from the Project Fund or to inquire into the purposes for which withdrawals are being made from the Project Fund.

For purposes of complying with the requirements of this section, the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon each Draw Request in the form set forth as **Exhibit A** attached hereto, which may be submitted by facsimile. The Trustee shall not be responsible for determining whether the funds on hand in the Project Fund are sufficient to complete the Project.

Moneys in the Project Fund shall be subject to withdrawal from time to time only for the purposes of paying Project Costs or for the reimbursement to the City, subject to any applicable provision of law, for payments theretofore made by the City for Project Costs. The EDA agrees that none of the funds in the Project Fund shall be used for any purposes other than payment or reimbursement of Project Costs and the payment of principal of, premium (if any) on and interest on the Bonds.

Section 4.05. Application of Balance in Project Fund. When the City has furnished to the Trustee a Certificate of an Authorized Officer as to the Completion Date, any balance then remaining in the Project Fund (after reserving such amount as the Authorized Officer shall deem necessary for the payment of any remaining amounts due or to become due for Project Costs, and after returning to the City any contingent funds which it may have deposited into the Project Fund as additional funds to finance total Project Costs and found to be unnecessary for such purpose), shall be transferred to the Bond Fund.

Section 4.06. Investment of Project Fund. The Trustee shall invest the moneys on deposit in the Project Fund at the request of an Authorized Officer of the City in Permitted Investments which shall (i) be payable in such amounts and at such times not later than the time or times when such moneys will be needed to pay Project Costs, and (ii) mature or may be redeemed no later than 12 months from the date of investment. The type, amount and maturity of Permitted Investments made pursuant to this Section shall conform to any instructions of the Authorized Officer. The Trustee may, from time to time, cause any such investments in the Project Fund to be sold or otherwise be converted into cash, whereupon the proceeds derived from such sale or conversion shall be deposited into the Project Fund in order to pay a Draw Request. Any interest or profit derived from investments shall be credited to the Project Fund. Any loss derived from investments shall be debited to the Project Fund. Investments permitted under this Section may be purchased from the Trustee or from any of its affiliates.

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ARTICLE V

Disposition of Pledged Revenues

Section 5.01. Bond Fund. The EDA hereby establishes and shall maintain with the Trustee, so long as any Bonds are Outstanding, a separate Fund to be designated "Economic Development Authority of Brooklyn Center, Minnesota Lease Revenue Bonds (Liquor Store Project) Bond Fund" (the "Bond Fund"), into which the Trustee shall make the following deposits:

(a) The amount required by Section 4.01(i) hereof to be deposited in the Bond Fund.

(b) On August 1, 2020 and each February 1 and August 1 thereafter, or as soon after the due date as received from the City, all payments by the City as Lease Payments under Section 4.2 of the Lease.

(c) All other moneys received by the Trustee from the City when accompanied by directions of the City that such moneys are to be paid into the Bond Fund or used for purposes for which moneys in the Bond Fund may be used.

(d) All other moneys required to be deposited in the Bond Fund pursuant to any provision of this Indenture, the Ground Lease, the Lease or the Bond Resolution.

The moneys and investments in the Bond Fund are irrevocably pledged and shall be used by the Trustee, from time to time, to the extent required:

FIRST: For the payment of principal of, premium (if any) on and interest on the Bonds, as and when such principal, premium and interest shall become due and payable; and

SECOND: Upon direction by the EDA, to purchase Outstanding Bonds at purchase prices not exceeding par plus accrued interest.

Section 5.02. Intentionally Omitted.

Section 5.03. Investment of Funds. To the extent authorized by applicable law, moneys on deposit to the credit of the Project Fund and the Bond Fund shall be invested by the Trustee, upon the written direction of an Authorized Officer of the City, in Permitted Investments. All such Permitted Investments shall at all times be a part of the Fund from which the money used to acquire such Permitted Investments shall have come. Such Permitted Investments shall be made so as to mature or be subject to redemption at the option of the holder thereof on or prior to the date or dates that the EDA anticipates that money therefrom will be required. Any interest accruing on and any profit realized from such investment shall be credited to the respective Fund. Any such investments shall be held in the name of the Trustee and by or under the control

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of the Trustee. The Trustee may make any and all such investments through its trust department or related companies. The Trustee shall sell and reduce to cash a sufficient amount of such investments in the trust funds whenever the cash balance in any such Fund is insufficient for a necessary transfer. Neither the Trustee nor the EDA shall be liable for any loss resulting from any such investment, nor from failure to preserve rights against endorsers or other prior parties to instruments evidencing any such investment. Investment of funds pursuant to this Section shall be limited as to amount and yield of investment in such manner that no part of the Outstanding Bonds shall be deemed "arbitrage bonds" under Section 148 of the Internal Revenue Code and regulations thereunder.

The EDA covenants and certifies to the Trustee and to and for the benefit of the Owners of the Bonds from time to time Outstanding that so long as any of the Bonds remain Outstanding, it will not knowingly take any action so that money on deposit in any fund or account in connection with the Bonds, whether or not such money was derived from the proceeds of the sale of the Bonds or from any other sources, will be used in a manner which, to its knowledge, will cause any of the Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code. Pursuant to such covenants, the EDA obligates itself to comply, to the best of its knowledge, throughout the term of the Bonds, with the requirements of Section 148 of the Code and any regulations promulgated thereunder. The Trustee shall be entitled to rely on the Tax Certificate delivered in connection with the issuance of the Bonds.

Section 5.04. Compliance with Arbitrage Restrictions. The EDA hereby acknowledges and confirms that the maintenance of the tax-exempt status of interest on the Bonds is dependent, among other things, on compliance with the arbitrage requirements set forth in Section 148 of the Internal Revenue Code and regulations thereunder. In order to confirm and carry out such understanding, the City has agreed under the Lease, inter alia, to comply with said Section 148 and regulations thereunder.

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ARTICLE VI

Particular Covenants of the EDA

The EDA covenants and agrees, so long as any Bonds shall be Outstanding and subject to the limitations on its obligations herein set forth, that:

Section 6.01. Payment of Bonds. It will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture and the Bond Resolution and in each and every Bond executed, authenticated and delivered hereunder; will pay, but solely from Lease Payments by the City and other amounts received or held by the Trustee hereunder, the principal of, premium (if any) on and interest on every Bond issued hereunder on the dates, at the places and in the manner prescribed in such Bonds in any coin or currency which, on the respective dates of payment of such principal and interest, is legal tender for the payment of public and private debts; and will cause such amounts received to be deposited with the Trustee prior to the due date of each installment of principal and interest and prior to the maturity of any Bond in amounts sufficient to pay such installment or Bond; provided, however, that the principal of and interest on any Bond is not and shall not constitute an indebtedness of the EDA or the City, within the meaning of any state constitutional provision, statutory or charter limitation and shall not be deemed to represent a debt or pledge the full faith or credit of the EDA or the City or grant to the Owner of any Bond any right to have the EDA or the City levy any taxes or appropriate any funds to the payment of principal of or interest on the Bonds, and the Bonds do not constitute or give rise to a charge against the general credit or taxing powers of the EDA or the City or a pecuniary liability of the EDA or the City, the payment of the Bonds to be made solely and only out of the moneys received pursuant to the Lease and the Funds and Accounts established and maintained with the Trustee pursuant to this Indenture and appropriated to the payment of the Bonds by this Indenture.

Section 6.02. Extensions of Payments of Bonds and Interest. The EDA shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest, except as may be expressly permitted by the provisions of this Indenture. Nothing in this Section shall, however, be deemed to limit the right of the EDA to fund or refund such Bonds and claims for interest.

Section 6.03. Authorization. The EDA has undertaken, pursuant to the Constitution and Laws of the State of Minnesota, to create and issue the Bonds, to use the proceeds thereof to finance the Project, to execute this Indenture and assign and pledge to the Trustee the Trust Estate, including the Lease Payments, and to make the covenants as herein provided. All necessary action and proceedings on their part to be taken for the creation and issuance of the Bonds and the execution and delivery of this Indenture have been duly and effectively taken, and the Bonds in the hands of the Owners thereof are and will be duly issued special, limited obligations of the EDA in accordance with their terms. The Bonds are being issued pursuant to the Act and are intended to be subject to no other general provisions of law respecting the authorization, execution and delivery of bonds.

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Section 6.04. Concerning the Lease. The EDA will cooperate or cause and permit the Trustee to take such action as may be necessary or advisable to enforce the covenants, terms and conditions of the Lease if such action shall be deemed to be in the best interest of the EDA or the Owners. The EDA shall do or cause to be done all things on its part to be performed under the Lease so that the obligations of the City thereunder shall not be impaired or excused.

Section 6.05. To Observe All Covenants and Terms; Limitations on EDA's Obligations. The EDA will not issue or permit to be issued any Bonds hereunder in any manner other than in accordance with the provisions of this Indenture and the agreements in that behalf herein contained, and will not suffer or permit any Default to occur under this Indenture, but will faithfully observe and perform all the conditions, covenants and requirements hereof. It is expressly agreed that the EDA has no obligation to levy taxes for, or make any advance or payment or incur any expense or liability from its general funds in performing, any of the conditions, covenants or requirements of the Bonds or this Indenture or from any funds other than revenues and income received pursuant to the Lease or moneys in the Funds and Accounts provided for herein.

Section 6.06. Liens; Further Assurances. The EDA agrees that it will not mortgage, sell or otherwise encumber its interest in the Site and the Facilities during the term of the Lease, except as such liens may constitute Permitted Encumbrances and subject to any amendments and other documents authorized pursuant to Section 12.01 hereof.

The EDA will execute or cause to be executed any and all further instruments required to perfect the lien of this Indenture on the property secured hereby, or to vest in the Trustee the right to receive and apply the revenues and income pledged to the payment or protection and security of the Bonds, and will execute, deliver, file or record any financing statement pursuant to the Uniform Commercial Code if such filing, registration or recording shall be necessary or convenient to effect, protect or confirm the pledge and lien of this Indenture. The City shall pay all fees and expenses in connection with the preparation of such documents and all filing and registration taxes and fees in connection therewith.

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ARTICLE VII

Remedies on Default

Section 7.01. Events of Default. Each of the following events is hereby defined as, and is declared to be and to constitute, an "Event of Default":

(a) If payment of the principal of any of the Bonds, or any premium thereon, when the same shall become due and payable, whether at maturity or proceedings for redemption, declaration or otherwise, shall not be made; or

(b) If payment of any interest on the Bonds when the same shall become due and payable (in which case interest shall be payable to the extent permitted by law on any overdue installments of interest, in each case at the interest rate borne by the Bonds in respect of which such interest is overdue) shall not be made; or

(c) If the EDA shall default in the due and punctual performance of any of the other covenants, conditions, agreements and provisions contained in the Bonds or in this Indenture, or in any indenture supplemental hereto on the part of the EDA to be performed, and such default shall have continued for a period of 60 days after written notice, specifying such default and requiring the same to be remedied, shall have been given to the EDA and to the City by the Trustee, or if such notice is given to the Trustee, the EDA and the City by the Owners of not less than 25% in principal amount of the Bonds then Outstanding; or

(d) If any "event of default" as that term is defined in the Lease shall occur and be continuing.

Section 7.02. Acceleration of Maturity. Upon the occurrence of an Event of Default, the Trustee may, and upon written request of the Owners of 25% in aggregate principal amount of Bonds Outstanding hereunder shall, by notice in writing delivered to the EDA and the City, declare the principal of all Bonds hereby secured then Outstanding and the interest accrued thereon immediately due and payable.

Section 7.03. Enforcement of Covenants and Conditions. In any case of Default or breach of any of the covenants and conditions of this Indenture, or to protect the Trust Estate, the Trustee, anything herein contained to the contrary notwithstanding and without any request from any Owner (subject, however, to the provisions of Section 8.06 hereof), may take such action or actions for the enforcement of its rights and the rights of the Owners and the rights of the EDA under the Ground Lease or the Lease as provided therein.

Upon the happening and continuance of an Event of Default, the Trustee may, and upon the written request of the Owners of not less than a majority in aggregate principal amount of Outstanding Bonds the Trustee shall, proceed forthwith by suit or suits at law or in equity or by any other appropriate remedy to enforce payment of the Bonds, to enforce application to such

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payment of the funds, revenues and income appropriated thereto by this Indenture and by the Bonds, to enforce rights of the EDA under the Ground Lease and the Lease, and to pursue any such other appropriate legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of its rights or any of the rights of the Owners. Notwithstanding the foregoing, the Trustee need not proceed upon any such written request of the Owners, as aforesaid, unless such Owners shall have offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby.

Section 7.04. Appointment of Receivers. Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and the Owners of Bonds under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the revenues, issues, payments and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 7.05. Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Indenture, the Lease or the Ground Lease shall, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee (including, but not limited to, fees and expenses incurred to date by the Trustee and which are unpaid), be deposited in the Bond Fund, and all moneys then held hereunder, including but not limited to moneys in the Bond Fund, shall be applied as follows:

(a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND: To the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the Bonds due on any particular date, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

(c) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (a) of this Section.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by it at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an interest payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Owner of any unpaid Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all Bonds and interest thereon have been paid under the provisions of this Section and all expenses and charges of the Trustee and the EDA have been paid, any balance remaining shall be paid to the persons entitled to receive the same; if no other person shall be entitled thereto, then the balance shall be paid to the City.

Section 7.06. Right of Trustee to Act Without Possession of Bonds. All rights of action (including the right to file proof of claim) under this Indenture, the Lease, the Ground Lease or the Bond Resolution, or under any of the Bonds, may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Owners of the Bonds hereby secured, and any recovery of judgment shall be for the equal benefit of the Owners of the Outstanding Bonds, subject to the provisions of Section 6.02 hereof with respect to extended Bonds and claims for interest.

Section 7.07. Power of Majority of Owners. Anything in this Indenture to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of Bonds Outstanding hereunder shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be

taken under this Indenture, the Lease, the Ground Lease, and the Bond Resolution; provided that such direction shall not be otherwise than in accordance with the provisions of applicable law and that the Trustee shall be indemnified as provided in Section 8.06 and provided further that the Trustee may refuse to follow any direction that conflicts with law or this Indenture, is unduly prejudicial to the rights of other Owners, or would subject the Trustee to personal liability.

Section 7.08. Limitation on Suits by Owners. No Owner of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of this Indenture, or for the execution of any trust hereof or for any other remedy hereunder, unless a Default has occurred of which the Trustee has been notified or of which it is deemed to have notice; nor unless also such Default shall have become an Event of Default and the Owners of a majority in aggregate principal amount of Bonds Outstanding hereunder shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers granted herein or to institute such action, suit or proceeding in its own name; nor unless also they shall have offered to the Trustee indemnity as provided in Section 8.06; and such notification, request and offer of indemnity are hereby declared in every such case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for enforcement or for any other remedy hereunder; it being understood and intended that no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the lien of this Indenture by their action or to enforce any right hereunder except in the manner herein provided or to prejudice the rights of another Owner or obtain a preference or priority over another Owner, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Owners of all Bonds Outstanding hereunder. Nothing in this Indenture shall, however, affect or impair the right of any Owner, which is absolute and unconditional, to enforce and bring suit for the payment of the principal of and interest on any Bond at and after the maturity thereof or the obligations of the EDA to pay from the sources provided herein the principal of and interest on each of the Bonds issued hereunder to the respective Owners thereof at the time and place in said Bonds expressed, in accordance with the terms of the Bonds.

Section 7.09. Waiver by Owners. The Trustee, upon the written request of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding hereunder, shall waive any Event of Default hereunder and its consequences, except an Event of Default in the payment of the principal of the Bonds at the date of maturity specified therein; provided, however, that an Event of Default in the payment of interest on the Bonds shall not be waived unless, prior to such waiver, all arrears of interest, and all expenses of the Trustee shall have been paid or shall have been provided for by deposit with the Trustee of a sum sufficient to pay the same. In case of any such waiver, the EDA, the Trustee and the Owners of the Bonds shall be restored to their former positions and rights hereunder respectively. No such waiver shall extend to any subsequent or other Default or any Event of Default or impair any right consequent thereon.

Section 7.10. Remedies Cumulative, Delay Not To Constitute Waiver. No remedy by the terms of this Indenture, the Lease, the Ground Lease or the Bond Resolution conferred upon or reserved to the Trustee (or to the Owners) is intended to be exclusive of any other remedy, but

each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Default or Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Default or Event of Default hereunder, whether by the Trustee or by the Owners, shall extend to or shall affect any subsequent Default or Event of Default or shall impair any rights or remedies consequent thereon.

Section 7.11. Restoration of Rights Upon Discontinuance of Proceedings. In case the Trustee or Owners shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee or Owners, then and in every such case the EDA, the City, the Trustee and the Owners shall be restored to their former positions and rights hereunder with respect to the Trust Estate, and all rights, remedies and powers of the Trustee or Owners shall continue as if no such proceedings had been taken.

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ARTICLE VIII

Concerning the Trustee

Section 8.01. Acceptance of Trust and Prudent Performance Thereof. The Trustee, prior to the occurrence of an Event of Default and after the curing of all such Events of Default as may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. During the existence of any Event of Default which has not been cured, the Trustee shall exercise such rights and powers, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

The Trustee shall not be required to take notice or be deemed to have notice of any Default or Event of Default hereunder except Default in the deposits or payments specified, or failure by the EDA or the City to file with it any of the documents required or to deposit with it evidence of the insurance policies required hereunder or under the Lease, unless the Trustee shall be specifically notified in writing of such Default or Event of Default by the City, by the EDA or by the Owners of at least 25% in aggregate principal amount of Bonds Outstanding hereunder, and in order to be effective, all notices or other instruments required by this Indenture to be delivered to the Trustee must be delivered at the office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume that there is no Default or Event of Default except as aforesaid.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(a) prior to an Event of Default hereunder, and after the curing of all such Events of Default which may have occurred:

(1) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and to the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Trustee conforming to the requirements of this Indenture; and

(b) at all times, regardless of whether or not any Event of Default shall exist:

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(1) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts,

(2) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of all the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture;

(3) the Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees, and shall not be answerable for the conduct of the same appointed by the Trustee in the exercise of due care, and shall be entitled to advice of counsel concerning its duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with trusts hereof, and

(4) any action taken, or omitted to be taken, by the Trustee in good faith pursuant to this Indenture upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent, is the Owner of any Bond shall be conclusive and binding upon all future Owners of Bonds and upon Bonds executed and delivered in exchange therefor or in place thereof.

None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

Section 8.02. Trustee May Rely Upon Certain Documents and Opinions. Except as otherwise provided in Section 8.01,

(a) the Trustee may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties or to have been prepared and furnished pursuant to any of the provisions of this Indenture; and the Trustee shall be under no duty to make any investigation as to any statement or opinion contained in any such instance, but may accept the same as conclusive evidence of the trust and accuracy of such statement or the correctness of such opinions;

(b) any request, direction, election, order, certification or demand of either of the EDA or the City shall be sufficiently evidenced by an instrument signed by an Authorized Officer of the EDA or the City, as the case may be (unless otherwise in this

Indenture specifically prescribed), and any resolution of the EDA or the City may be evidenced to the Trustee by a Certified Resolution;

(c) the Trustee may consult with counsel (who may be counsel for the EDA or the City) and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel; and

(d) whenever, in the administration of the trusts of this Indenture, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by a Certificate of the EDA or the City, and such Certificate shall, in the absence of negligence or bad faith on the part of the Trustee, be full warrant to the Trustee for any action taken or suffered by it under the provisions of this Indenture upon the faith thereof.

Section 8.03. Trustee Not Responsible for Indenture Statements, Validity. The Trustee shall not be responsible for any recital or statement herein, or in the Bonds (except in respect of the Certificate of the Trustee endorsed on the Bonds), or for the validity of the execution by the EDA of this Indenture or the validity or execution of the Ground Lease, the Lease or the Bond Resolution or of any supplemental instrument, or for the sufficiency of the security of the Bonds issued hereunder or intended to be secured hereby, or for the value or title of any of the Trust Estate, or otherwise as to the maintenance of the security hereof, or for the application of the Bond proceeds, for the use or application of any property or moneys released or paid out in accordance with the provisions of this Indenture, the Ground Lease or the Lease; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenant, condition or agreement on the part of the EDA or the City except as herein set forth, but the Trustee may require of the EDA and the City full information and advice as to the performance of the covenants, conditions and agreements aforesaid and of the condition of the physical property included in the Trust Estate. The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

Section 8.04. Limits on Duties and Liabilities of Trustee. The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty of the Trustee and the Trustee shall be answerable only for its own negligence or willful misconduct. The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

Section 8.05. Money Held in Trust. Money held by the Trustee hereunder is held in trust but need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the EDA or the City.

Section 8.06. Obligation of Trustee. The Trustee shall be under no obligation to institute any suit, or to take any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall have received indemnity satisfactory to the Trustee for repayment of all costs and expenses, outlays and counsel fees and other reasonable disbursements in connection therewith and against all risk and liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it, without assurance of reimbursement or indemnity, and in such case the Trustee shall be reimbursed for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the City shall fail to make such reimbursement, the Trustee may reimburse itself from any moneys in its possession under the provisions of this Indenture and shall be entitled to a preference therefor over any of the Bonds Outstanding hereunder.

Section 8.07. Notice to Owners, Etc. The Trustee shall give to the Owners of the Bonds whose names and addresses are known to it written notice of all Events of Default known to the Trustee by virtue of actual knowledge of a Responsible Officer, within 60 days after the occurrence of the Event of Default, unless the Event of Default has been cured before the giving of such notice; provided that, except in the case of Events of Default in the payment of principal of or interest on any of the Bonds, the Trustee shall be protected in withholding such notice if and so long as its board of directors, an executive committee or trust committee of directors or chief executive officer of the Trustee in good faith determines that the withholding of such notice is in the interest of the Owners; and further provided that no such notice shall be given unless and until any Default becomes an Event of Default.

The Trustee shall notify any rating agency then maintaining a rating on the Outstanding Bonds (i) not less than 10 Business Days in advance of the execution of any supplement, amendment or change to any financing documents; (ii) upon any deficiency in any fund or account held by the Trustee; (iii) upon a direction from the City to purchase or redeem all or any portion of the Bonds; (iv) upon the resignation or petition for removal of the Trustee or the appointment of a successor Trustee; and (v) upon any Event of Default or upon any event, that with notice and/or with the lapse of time, could become an Event of Default under this Indenture or any other transaction document.

Section 8.08. Intervention in Judicial Proceedings. In any judicial proceeding to which the EDA or the City is a party and which, in the opinion of the Trustee, based upon an Opinion of Counsel which shall be reasonably satisfactory to the City, has a substantial bearing on the interests of the Owners of Bonds issued hereunder, the Trustee may intervene on behalf of Owners and shall, subject to Section 8.06 hereof, do so if requested in writing by the Owners of at least 25% in aggregate principal amount of Bonds Outstanding hereunder. The rights and obligations of the Trustee under this Section are subject to the approval of the court having jurisdiction in the premises.

Section 8.09. Further Investigation by Trustee. The resolutions, opinions, Certificates and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be in full warrant,

protection and authority to the Trustee for its actions hereunder; but the Trustee may, in its unrestricted discretion, and shall, if requested in writing so to do by the Owners of not less than 25% in aggregate principal amount of Bonds Outstanding hereunder, cause to be made such independent investigation as it may see fit, and in that event may decline to release any property, or pay over cash, or take other action unless satisfied by such investigation of the truth and accuracy of the matters so investigated. The expense of such investigation shall be paid by the City.

Section 8.10. Trustee to Retain Records. The Trustee shall retain all financial statements furnished by the City in accordance with this Indenture or the Lease so long as any of the Bonds shall be Outstanding.

Section 8.11. Compensation and Indemnification of Trustee. All advances, counsel fees and other expenses reasonably made or incurred by the Trustee in and about the execution of the trust hereby created and reasonable compensation to the Trustee for its services in the premises shall be paid by the City. The compensation of the Trustee shall not be limited to or by any provision of law in regard to the compensation of trustees of an express trust. If not paid by the City, the Trustee shall have a first lien, with right of payment prior to payment on account of interest on or principal of any Bond issued hereunder, for reasonable compensation, expenses, advances and counsel fees incurred in and about the execution of the trusts hereby created and the exercise and performance of the powers and duties of the Trustee hereunder and for the cost and expense incurred in defending against any liability in the premises of any character whatsoever (unless such liability is adjudicated to have resulted from the negligence or willful misconduct of the Trustee). To the extent permitted by law, the City shall indemnify, defend, protect and hold the Trustee harmless from and against any and all losses, liability, damages, costs or expenses that the Trustee may suffer or incur arising out of or in connection with the acceptance or administration of this Indenture or the trusts hereunder or the performance of its duties hereunder or under the Lease or the Ground Lease (unless such liability is adjudicated to have resulted from the negligence or willful misconduct of the Trustee). Nothing in this section will be construed to limit or affect any limitations on liability of the City or EDA under State or federal law, including without limitation Minnesota Statutes, Sections 466.04 and 604.02. The payment and indemnification obligations of the City hereunder shall survive the termination of this Indenture, the Lease and the Ground Lease, the payment in full of the Bonds, and the resignation or removal of the Trustee.

Section 8.12. Trustee May Hold Bonds. The Trustee and its officers and directors may acquire and own, or become the pledgee of, Bonds and otherwise deal with the EDA or the City in the same manner and to the same extent and with like effect as though it were not Trustee hereunder.

Section 8.13. Appointment of Trustee. There shall at all times be a trustee hereunder which shall be an association or a corporation organized and doing business under the laws of the United States or any State thereof, authorized under such laws to exercise corporate trust powers, having a combined capital, surplus and undivided profits of at least Ten Million Dollars ($10,000,000), and subject to supervision or examination by Federal or State authority. If such association or corporation publishes reports of condition at least annually, pursuant to law or to

the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital, surplus and undivided profits of such corporation shall be deemed to be its combined capital as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, and another association or corporation is eligible, the Trustee shall resign immediately in the manner and with the effect specified in Section 8.16 hereof.

Section 8.14. Merger of Trustee. Any corporation or national banking association into which the Trustee or substantially all of its corporate trust business may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or national banking association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 8.15. Resignation or Removal of Trustee. The Trustee may resign and be discharged from the trusts created by this Indenture by giving to the City 30 days' notice in writing, and to the Owners notice by first class mail at their addresses as set forth on the registration books, of such resignation, specifying a date when such resignation shall take effect. Such resignation shall take effect no earlier than the date on which a successor trustee shall have been appointed as hereinafter provided.

Any Trustee hereunder may be removed at any time by an instrument or instruments in writing, appointing a successor to the Trustee so removed, filed with the Trustee and executed by either (i) the EDA and the City, or (ii) the Owners of a majority in principal amount of the Bonds hereby secured and then Outstanding.

No resignation or removal of the Trustee or any successor shall be effective until a successor Trustee shall have been appointed and such party shall have accepted the duties of Trustee hereunder.

Section 8.16. Appointment of Successor Trustee. In case at any time the Trustee shall resign or shall be removed or otherwise shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver of the Trustee or of its property shall be appointed, or if a public supervisory office shall take charge or control of the Trustee or of its property or affairs, a vacancy shall forthwith and ipso facto be created in the office of such Trustee hereunder, and a successor may be appointed by either (i) the EDA and the City or (ii) the Owners of a majority in principal amount of the Bonds hereby secured and then Outstanding, by an instrument or instruments in writing filed with the Trustee and executed by the EDA and the City or by such Owners, as applicable, notification thereof being given to the City, but in the event the Trustee has been removed by action of the Owners, until a new Trustee shall be appointed by the Owners as herein authorized, the EDA may, subject to the provisions hereof, appoint a Trustee to fill such vacancy. After any appointment by the EDA, the Trustee so appointed shall cause notice of

its appointment to be mailed within 30 days after such appointment to the registered Owners of the Bonds, but any new Trustee appointed by the EDA shall immediately and without further act be superseded by a Trustee appointed in the manner above provided by the Owners of a majority in principal amount of the Bonds whenever such appointment by the Owners shall be made.

If, in a proper case, no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within 30 days after a vacancy shall have occurred in the office of Trustee, the Owner of any Bond hereby secured or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Section 8.17. Transfer of Rights and Property to Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the EDA and the City an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the EDA or of its successor Trustee execute and deliver an instrument transferring to such successor all the estate, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any assignment, conveyance or instrument in writing from the EDA be required by any successor Trustee for more fully and certainly vesting in such successor Trustee the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Trustee, any and all such assignments, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the EDA. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all assignments, conveyances and other instruments provided for in this Article shall, at the expense of the City, be forthwith filed and/or recorded by the successor Trustee in each recording office where this Indenture shall have been filed and/or recorded.

Section 8.18. Appointment of Successor or Alternate Paying Agents. In the event the initial Trustee shall also have been appointed paying agent for any Bonds, a successor Trustee shall become successor paying agent with respect to such Bonds unless otherwise provided in the instrument appointing such successor Trustee. If any paying agent other than the initial Trustee shall resign or become incapable of acting, or shall be removed under a supplemental indenture entered into pursuant to the terms hereof, the Trustee may appoint a successor paying agent which is a bank or trust company qualified to act as paying agent under the Act and which is willing to accept the office on reasonable and customary terms approved by an Authorized Officer of the City. The Trustee may appoint successor paying agents. "Paying agent" as used in this Section refers to the bank or trust company named in the form of Bond provided for the Bonds in the recitals hereof, where principal of and interest on Bonds may be paid.

ARTICLE IX

Concerning the Owners

Section 9.01. Execution of Instruments by Owners. Any request, direction, consent or other instrument in writing required by this Indenture to be signed or executed by Owners may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Owners in person or by agent duly appointed by an instrument in writing. Proof of the execution of any such instrument and of the Ownership of Bonds shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument if made in the following manner:

(a) The fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments of deeds to be recorded within such jurisdiction, to the effect that the person signing such instrument acknowledged the execution thereof, or by an affidavit of a witness to such execution.

(b) The Ownership of Bonds shall be proved by the registration records kept under the provisions of this Indenture.

Nothing contained in this Article shall be construed as limiting the Trustee to the proof above specified, it being intended that the Trustee may accept any other evidence of the matters herein stated which to it may seem sufficient.

Section 9.02. Waiver of Notice. Any notice or other communication required by this Indenture to be given by delivery, publication or otherwise to the Owners or any one or more thereof may be waived, at any time before such notice or communication is so required to be given, by a writing mailed or delivered to the Trustee by the Owner or Owners of all of the Bonds entitled to such notice or communication.

Section 9.03. Determination of Owner Concurrence. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned by the EDA or the City shall be disregarded and deemed not to be Outstanding for the purpose of any such determination, provided that for the purpose of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent or waiver only Bonds which the Trustee knows to be so owned shall be disregarded. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section if the pledgee certifies to the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by or under common control with the EDA or the City. The Trustee may conclusively rely and be protected in relying upon the certifications provided by such pledgee.

Section 9.04. Owners' Meeting. A meeting of the Owners may be called at any time and from time to time for any of the following purposes:

(1) to give any notice to the EDA or to the Trustee, or to give any direction to the Trustee, or to make any request of the Trustee, or to consent to the waiving of any default hereunder and its consequences, or to take any other action authorized to be taken by Owners pursuant to any of the provisions of Article VII hereof;

(2) to remove the Trustee or appoint a successor Trustee pursuant to the provisions of Article VIII hereof;

(3) subject to Article XI hereof, to consent to the execution of an indenture or indentures supplemental hereto;

(4) subject to Article XII hereof, to consent to any amendment of the Lease or the Ground Lease or to any instrument supplemental thereto; or

(5) to take any other action authorized to be taken by or on behalf of the Owners of any percentage of the Outstanding Bonds under any other provisions of this Indenture or under applicable law.

Any Owners' meeting may be called and held as follows:

(a) A meeting of Owners may be held at such place within the City of Brooklyn Center, Minnesota or in the city where the Trustee has its designated office as the Trustee or, in case of its failure to act, the EDA or Owners calling the meeting shall prescribe.

(b) Notice of every meeting of Owners, setting forth the time and place of such meeting and in general terms the action proposed to be taken at such meeting, shall be mailed, postage prepaid, to each Owner of Bonds and to the City. Any failure of the Trustee to mail such notice, or any defect therein shall not, however, in any way impair or affect the validity of any such meeting.

(c) In case at any time the EDA or the City, pursuant to a Certified Resolution, or the Owners of at least 10% in aggregate principal amount of the Bonds then Outstanding, shall have requested the Trustee to call a meeting of the Owners, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have given notice of such meeting within 20 days after receipt of such request, then the EDA or the Owners of Bonds in the amount above specified may call such meeting to take any action authorized in this Section by giving notice thereof as provided in paragraph (b) of this Section.

(d) Only an Owner of one or more Bonds or a person appointed as proxy by an instrument in writing of such Owner shall be entitled to vote at or to participate with

their counsel and the representatives of the Trustee, the City or the EDA in such meeting. Each Owner shall be entitled to one vote for each $5,000 in principal amount of Outstanding Bonds held.

(e) The Trustee or, in case of its failure to act, the EDA, the City or Owners calling or requesting the meeting, may make such reasonable regulations as it may deem advisable for any meeting of Owners in regard to proof of the holding of Bonds and of the appointment of proxies and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem appropriate.

(f) At any meeting of Owners, the presence of persons holding or representing Bonds in an aggregate principal amount sufficient under the appropriate provision of this Indenture to take action upon the business for the transaction of which such meeting was called shall constitute a quorum. Any meeting of Owners duly called pursuant to this Section may be adjourned from time to time by vote of the Owners (or proxies for the Owners) of a majority of the Bonds represented at the meeting and entitled to vote, whether or not a quorum shall be present; and the meeting may be held as so adjourned without further notice.

(g) The vote upon any resolution submitted to any meeting of Owners shall be by written ballots on which shall be subscribed the signatures of the Owners of Bonds or of their representatives by proxy and the serial number or numbers of the Bonds held or represented by them. The chair of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record, at least in duplicate, of the proceedings of each meeting of Owners shall be prepared by the secretary of the meeting, and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was mailed as provided in paragraph (b) hereof. Each copy shall be signed and verified by the affidavits of the chair and secretary of the meeting and one such copy shall be delivered to the City and the EDA and another to the Trustee to be preserved by the Trustee, the latter to have attached thereto the ballots voted at the meeting. Any record so signed and verified shall be conclusive evidence of the matters therein stated.

Section 9.05. Revocation by Owners. At any time prior to (but not after) the evidencing to the Trustee of the taking of any action by the Owners of the percentage in aggregate principal amount of the Bonds specified in this Indenture in connection with such action, any Owner of any such Bond may, by filing written notice with the Trustee at its designated office revoke any consent given by such Owner or the predecessor Owner of such Bond. Except as aforesaid, any such consent given by the Owner of any Bond shall be conclusive and binding upon such Owner and upon all future Owners of such Bond and of any Bond issued in exchange therefor or in lieu thereof, irrespective of whether any notation in regard thereto is made upon such Bond. Any

action taken by the Owners of the percentage in aggregate principal amount of the specified in this Indenture in connection with such action shall be conclusively binding upon the EDA, the City, the Trustee and the Owners of all the Bonds.

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ARTICLE X

Payment, Defeasance and Release

Section 10.01. Payment and Discharge of Indenture. If the City or the EDA, their successors or assigns, shall:

(a) pay or cause to be paid the principal of and premium, if any, and interest on the Bonds at the time and in the manner stipulated therein and herein, or

(b) provide for the payment of principal and premium, if any, of the Bonds and interest thereon by depositing with the Trustee at or at any time before maturity amounts sufficient either in cash or in direct obligations of or obligations fully guaranteed as to principal and interest by the United States of America, the principal and interest on which when due and payable (or redeemable at the option of the holder thereof but not at the option of the issuer thereof) and without consideration of any reinvestment thereof shall be sufficient, to pay the entire amount due or to become due thereon for principal and premium, if any, and interest to maturity of all said Bonds Outstanding, or

(c) deliver to the Trustee (1) proof satisfactory to the Trustee that notice of redemption of all of the Outstanding callable Bonds not surrendered or to be surrendered to it for cancellation has been given or waived as provided in Article III hereof, or that arrangements satisfactory to the Trustee have been made insuring that such notice will be given or waived, or (2) a written instrument executed by the EDA and expressed to be irrevocable, authorizing the Trustee to give such notice for and on behalf of the EDA, or (3) file with the Trustee a waiver of such notice of redemption signed by the Owners of all Outstanding callable Bonds, and in any such case, deposit with the Trustee before the date on which such Bonds are to be redeemed, as provided in said Article III, the entire amount of the redemption price, including accrued interest and premium, if any, either in cash or direct obligations of or obligations fully guaranteed as to principal and interest by the United States of America and described below (which do not permit the prior redemption thereof at the option of the issuer) in such aggregate face amount, bearing interest at such rates and maturing at such dates as shall be sufficient to provide for the payment of such redemption price on the date such Bonds are to be redeemed and on such prior dates when principal of and interest on the Outstanding Bonds is due and payable, and surrender to the Trustee for cancellation all Bonds for which payment is not so provided, and shall also pay all other sums due and payable hereunder by the EDA or the City, provided that if Bonds are to be defeased under either paragraph (b) or (c) above, (i) a report by an independent certified public accountant is provided to the Trustee that the money and securities held, together with investment earnings (but without considering any reinvestment of such earnings), will be sufficient to pay, as the same become due upon maturity or earlier redemption, all principal of, premium, if any, and interest on the Bonds which have not then previously been paid, and (ii) an Opinion of Counsel by nationally recognized bond counsel shall be rendered to the Trustee to the effect that the tax-exempt status of interest on the Bonds shall not be impaired thereby

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and that the Bonds have been defeased in accordance with this Indenture, then and in that case, all the Trust Estate shall revert to the EDA and the City as their interests may appear, and the entire estate, right, title and interest of the Trustee and of the registered Owners of the Bonds in respect thereof shall thereupon cease, determine and become void; and the Trustee in such case, upon the cancellation of all Bonds for the payment of which cash or securities shall not have been deposited in accordance with the provisions of this Indenture, shall, upon receipt of a written request of the EDA and of a Certificate of the EDA and an Opinion of Counsel as to compliance with conditions precedent, and at the City's cost and expense, execute to the EDA, or its order, proper instruments acknowledging satisfaction of this Indenture and surrender to the EDA and the City, as their interests appear, all cash and deposited securities, if any (other than cash or securities for the payment of the Bonds and interest thereon), which shall then be held hereunder as a part of the Trust Estate.

The investments for a defeasance must consist solely of one or more of the following: (i) cash; (ii) State and Local Government Series issued by the United States Treasury ("SLGs"); (iii) United States Treasury bills, notes and bonds, as traded on the open market; (iv) Zero Coupon United States Treasury Bonds; and (v) Refcorp Interest Strips (stripped by the Federal Reserve Bank of New York).

Nothing contained in this Section 10.01 shall be construed to prohibit the defeasance of one or more, but not all, series of Bonds by any of the methods set forth in clause (a), (b) or (c) above, as the same would apply to the particular series of Bonds being discharged.

Section 10.02. Bonds Deemed Not Outstanding After Deposits. When there shall have been deposited at any time with the Trustee in trust for the purpose, cash or direct obligations of or obligations fully guaranteed by the United States of America the principal and interest on which shall be sufficient to pay the principal of any Bonds (and premium, if any) when the same become due, either at maturity or otherwise, or at the date fixed for the redemption thereof, and to pay all interest with respect thereto at the due dates for such interest to maturity or to the date fixed for redemption, for the use and benefit of the Owners thereof, then upon such deposit all such Bonds shall cease to be entitled to any lien, benefit or security of this Indenture except the right to receive the funds so deposited, and such Bonds shall be deemed not to be Outstanding hereunder; and it shall be the duty of the Trustee to hold the cash and securities so deposited for the benefit of the Owners of such Bonds, and from and after such date, redemption date or maturity, interest on such Bonds called for redemption shall cease to accrue.

Section 10.03. Unclaimed Money To Be Returned. Any moneys deposited with the Trustee pursuant to the terms of this Indenture, for the payment or redemption of Bonds and remaining unclaimed by the Owners of such Bonds on the date fixed for redemption of the same, as the case may be, for a period of 3 years after the due date, shall, upon the written request of the City, and if the EDA or any successor to the obligations of the EDA under this Indenture and the Bonds shall not at the time, to the knowledge of the Trustee, be in default with respect to any of the terms and conditions contained in this Indenture or in such Bonds, be paid to the City, and such Owners of the Bonds shall thereafter look only to the City for payment and then only to the extent of the amounts so received without interest thereon. If the City does not request that the

money be returned to the City, the Trustee shall pay the money over to the State of Minnesota in accordance with applicable law.

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ARTICLE XI

Supplemental Indentures

Section 11.01. Purposes for Which Supplemental Indentures May Be Executed. The EDA, upon resolution, and the Trustee from time to time and at any time, subject to the conditions and restrictions contained in this Indenture, may enter into such indentures supplemental hereto as may or shall by them be deemed necessary or desirable, without the consent of any Owner, for any one or more of the following purposes:

(a) To correct the description of any property hereby pledged or intended so to be, or to assign, convey, pledge or transfer and set over to the Trustee, subject to such liens or other encumbrances as shall be therein specifically described, additional property or properties of the EDA or the City for the equal and proportional benefit and security of the Owners of all Bonds at any time issued and Outstanding under this Indenture, subject, however, to the provisions hereinabove set forth with respect to extended Bonds;

(b) To add to the covenants and agreements of the EDA in this Indenture other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the EDA or to or upon any successor;

(c) To evidence the succession or successive successions of any other department, agency, body or corporation to the EDA and the assumption by such successor of the covenants, agreements and obligations of the predecessor EDA in the Bonds hereby secured and in this Indenture and in any and every supplemental indenture contained or the succession, removal or appointment of any trustee or paying agent hereunder;

(d) To cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indentures which may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under this Indenture or any supplemental indenture as the EDA may deem necessary or desirable and which shall not be inconsistent with the provisions of this Indenture or any supplemental indenture and which shall not impair the security of the same; and

(e) To modify, eliminate and/or add to the provisions of this Indenture to such extent as shall be necessary to effect the qualification of this Indenture under the Trust Indenture Act of 1939, as then amended, or under any similar federal statute hereafter enacted, and to add to this Indenture such other provisions as may be expressly permitted by the Trust Indenture Act of 1939, excluding, however, the provisions referred to in Section 316(a)(2) of the Trust Indenture Act of 1939.

(f) To provide for the creation of any series of Additional Bonds, as provided in, and subject to the conditions and requirements of, Sections 2.09 through 2.12 hereof.

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(g) To amend or modify any provision of this Indenture so long as such amendment or modification does not materially adversely affect the interests of the Owners of the Bonds.

Section 11.02. Execution of Supplemental Indenture. The Trustee is authorized to join with the EDA in the execution of any such supplemental indenture, to make the further agreements and stipulations which may be therein contained, and to accept the conveyance, transfer and assignment of any property thereunder, but the Trustee shall not be obligated to enter into any such supplemental indenture which affects its rights, duties or immunities under this Indenture.

Section 11.03. Modification of Indenture with Consent of Owners. Subject to the terms and provisions contained in this Section, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, to consent to and approve the execution by the EDA and the Trustee of such indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the EDA for the purpose of modifying, altering, amending, adding to or rescinding in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture; PROVIDED, HOWEVER, that nothing herein contained shall permit or be construed as permitting, without the consent of the Owners of all Outstanding Bonds, (a) an extension of the maturity of any Bond issued hereunder, or (b) a reduction in the principal amount of any Bond or the redemption premium or the rate of interest thereon, or (c) the creation of a lien upon or a pledge of revenues ranking prior to or on a parity with the lien or pledge created by this Indenture, or (d) a preference or priority of any Bond or Bonds over any others, or (e) a reduction in the aggregate principal amount of the Bonds required to consent to supplemental indentures or amendments to the Lease or the Ground Lease, to the extent required herein, or (f) a reduction in the aggregate principal amount of the Bonds required to waive an Event of Default.

Whenever the EDA shall deliver to the Trustee a resolution of Owners adopted at an Owners' meeting approved by, or an instrument or instruments purporting to be executed by, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, which resolution or instrument or instruments shall refer to the proposed supplemental indenture and shall specifically consent to and approve the execution thereof, the EDA and the Trustee may execute such supplemental indenture without liability or responsibility to any Owner of any Bond, whether or not such Owner shall have consented thereto.

If the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of such supplemental indenture shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to the execution of such supplemental indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the EDA from executing the same or from taking any action pursuant to the provisions thereof.

Section 11.04. Supplemental Indentures to be Part of Indenture. Any supplemental indenture executed in accordance with any of the provisions of this Article shall thereafter form a part of this Indenture; and all the terms and conditions contained in any such supplemental indenture as to any provisions authorized to be contained therein shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes, and the respective rights, duties and obligations under this Indenture of the EDA, the Trustee and all Owners of Bonds then Outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments. Reference to any such supplemental indenture or any of such terms or conditions thereof may be set forth in reasonable and customary manner in the text of the Bonds or in a legend stamped on the Bonds.

Section 11.05. Rights of City Unaffected. Anything herein to the contrary notwithstanding, a supplemental indenture under this Article XI which adversely affects the rights of the City under the Lease, the Ground Lease or this Indenture, so long as the Lease, the Ground Lease and this Indenture are in effect, shall not become effective unless and until the City shall have consented to the execution and delivery of such supplemental indenture. The Trustee shall cause notice of the proposed execution and delivery of any such supplemental indenture (to the execution and delivery of which the City has not already consented), 30 days prior to the proposed date of execution and delivery of any such supplemental indenture.

Section 11.06. Opinion of Counsel Required. Anything herein to the contrary notwithstanding, no supplemental Indenture may be entered into unless the EDA and the Trustee have received an Opinion of Counsel to the effect that such supplemental Indenture is authorized and permitted by this Indenture, is enforceable against the EDA and the City, and does not adversely affect the tax-exempt status of the interest on the Bonds.

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ARTICLE XII

Amendments to the Lease and the Ground Lease

Section 12.01. Amendments to the Lease and the Ground Lease Not Requiring Consent of Owners. The EDA, the City and the Trustee shall, without the consent of or notice to the Owners, consent to any amendment, change or modification of the Lease or the Ground as may be required (i) by the provisions of the Lease or the Ground Lease or this Indenture, (ii) for the purpose of curing any ambiguity or formal defect or omission, (iii) in connection with the issuance of Additional Bonds as provided herein, or (iv) in connection with any other change in the Lease or the Ground Lease which, in the Opinion of Counsel, does not materially adversely affect the interests of the Trustee or the Owners of the Bonds.

Additionally, the City shall have the right to amend Exhibits A and B to the Ground Lease and Exhibits A and D to the Lease to clarify the legal description of the Site and the Excluded Property, as built, or to reflect the legal description of the Site and the Excluded Property plus common elements and limited common elements upon filing of common interest community plat prepared in accordance with Minnesota Statutes, Section 515B.2-1101 upon substantial completion of the structural components and common mechanical systems of the building constituting the Facilities or to reflect a registered land survey of the Site and the Excluded Property and the Trustee is authorized to execute, without the consent of the Holders, or the Issuer, any amendment to the Ground Lease and/or the Lease and any necessary easements, including without limitation easements described in Section 6.5(a)(2) of the Lease, quitclaim deeds or partial releases of the Ground Lease and/or the Lease, and any required consent, approval or other similar document necessary in connection therewith, upon receipt of a certification from the City that such amendments or other documents are not detrimental to the proper conduct of the operations of the City on or in the Site or the Facilities.

Section 12.02. Amendments to the Lease and the Ground Lease Requiring Consent of Owners. Except for amendments, changes or modifications as provided in Section 12.01 hereof, neither the EDA, nor the City nor the Trustee shall consent to any other amendment, change or modification of the Lease or the Ground Lease without the written approval or consent of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding given and procured as in this Section provided; provided, however, that no such amendment, change or modification shall ever affect the obligation of the City to make Lease Payments as they become due and payable. If the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding hereunder at the time of the execution of any such amendment, change or modification shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or in the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee, the EDA or the City from executing the same or from taking any action pursuant to the provisions thereof.

Section 12.03. Opinion of Counsel Required. Notwithstanding anything in this Article XII to the contrary, the Lease and the Ground Lease may not be amended unless the EDA and the Trustee have first received an Opinion of Counsel to the effect that the proposed amendment is authorized and permitted by this Indenture, is enforceable against the EDA and the City, and does not adversely affect the tax-exempt status of the interest on the Bonds.

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ARTICLE XIII

Miscellaneous

Section 13.01. Covenants of EDA Bind Successors and Assigns. All the covenants, stipulations, promises and agreements in this Indenture contained, by or in behalf of the EDA, shall bind and inure to the benefit of its successors and assigns, whether so expressed or not.

Section 13.02. Immunity of Officers. No recourse for the payment of any part of the principal of or interest on any Bond or for the satisfaction of any liability arising from, founded upon or existing by reason of the issue, purchase or Ownership of the Bonds shall be had against any officer, member or agent of the EDA or the State of Minnesota, as such, all such liability being hereby expressly released and waived as a condition of and as a part of the consideration for the execution of this Indenture and the issuance of the Bonds.

Section 13.03. No Benefits to Outside Parties. Nothing in this Indenture, express or implied, is intended or shall be construed to confer upon or to give to any person or corporation, other than the City, the parties hereto and the Owners of the Bonds issued hereunder, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation thereof; and the covenants, stipulations and agreements in this Indenture are and shall be for sole and exclusive benefit of the City, the parties hereto, their successors and assigns, and the Owners of the Bonds.

Section 13.04. Separability of Indenture Provisions. In case any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Indenture, but this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 13.05. Execution of Indenture in Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which, when so executed, shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.

Section 13.06. Headings Not Controlling. The headings of the several Articles and Sections hereof are inserted for the convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 13.07. Notices, etc., to Trustee, EDA, City and Original Purchaser. Any request, demand, authorization, direction, notice, consent of Owners or other document provided or permitted by this Indenture shall be sufficient for any purpose under this Indenture, the Lease or the Ground Lease, when hand delivered or mailed by first class mail, postage prepaid (except as otherwise provided in this Indenture) (with a copy to the other parties) at the following addresses (or such other address as may be provided by any party by notice) and shall be deemed to be effective upon receipt:

To the EDA:	Economic Development Authority of Brooklyn Center, Minnesota 6301 Shingle Creek Parkway Brooklyn Center, MN 55430 Attention: Executive Director
To the Trustee:	Zions Bancorporation 111 W. Washington Street, Suite 1860 Chicago, IL 60602 Attention: _____
To the City:	City of Brooklyn Center 6301 Shingle Creek Parkway Brooklyn Center, MN 55430 Attn: City Manager
To the Original Purchaser:	Robert W. Baird & Co., Incorporated 752 Stillwater Road, Suite 3 Mahtomedi, MN 55115 Attn: _____

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IN WITNESS WHEREOF, the EDA has caused this Indenture to be signed in its name by its duly authorized officers and Zions Bancorporation, as Trustee, to evidence its acceptance of the trust hereby created, has caused this Indenture to be signed in its name by authorized officers of the Trustee, all as of the day and year first above written.

ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA

By _____
Its President

By _____
Its Executive Director

ZIONS BANCORPORATION
as Trustee

By _____

Its _____

EXHIBIT A

DRAW REQUEST NO. _____

LEASE REVENUE BONDS (LIQUOR STORE PROJECT), SERIES 2019B

The undersigned, a duly authorized City Representative pursuant to that certain Trust Indenture, dated as of September 1, 2019 (the "Indenture"), between the Economic Development Authority of Brooklyn Center, Minnesota and Zions Bancorporation (the "Trustee") hereby requests and directs the Trustee to make the disbursements to the persons and in the amounts set forth below from the Project Fund pursuant to and in accordance with the provisions of Section 4.04 of the Indenture:

Payee	Purpose or Work Performed	Amount	Percentage Attributable to Project Costs

The undersigned certifies to the Trustee that each obligation, item of cost or expense mentioned above has been properly incurred, is an item of Project Cost and is a proper charge against the Project Fund and has not been the basis of any previous withdrawal.

The undersigned certifies to the Trustee that no obligation, item of cost or expense mentioned above has been incurred in connection with the construction of the Excluded Portion of the building constituting the Facilities.

Dated: _____

CITY OF BROOKLYN CENTER,
MINNESOTA

By: _____
City Representative

EXHIBIT B

FORM OF SERIES 2019B BOND

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF HENNEPIN
CITY OF BROOKLYN CENTER

ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN CENTER, MINNESOTA

No. R_____ $_____

Lease Revenue Bond (Liquor Store Project), Series 2019B

Interest Rate	Maturity	Date of Original Issue	CUSIP
	February 1, _____	September __ 2019	

Registered Owner: CEDE & CO.

Principal Amount:

The ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA, a public body corporate and politic and political subdivision of the State of Minnesota (the "EDA"), for value received, hereby promises to pay, but solely from the sources hereinafter described, to the Registered Owner specified above or registered assigns, the Principal Amount set forth above on the Maturity date specified above, upon the presentation and surrender hereof, and to pay to the Registered Owner hereof interest on such Principal Amount from such sources at the Interest Rate specified above from the Date of Original Issue set forth above, or the most recent interest payment date to which interest has been paid or duly provided for as specified below, on February 1 and August 1 of each year, commencing August 1, 2020, until said principal amount is paid. Interest shall be computed on the basis of a 360 day year composed of 12 30-day months and shall be payable to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a Business Day) of the month preceding such Interest Payment Date at such person's address set forth on the registration books maintained by the Trustee hereinafter designated. Principal and the redemption price are payable in lawful money of the United States of America at the office of Zions Bancorporation, Chicago, Illinois, as Trustee under the Indenture hereinafter described or of its successor as Trustee. Interest shall be paid on each interest payment date by check or draft mailed to the person in whose name this Bond is registered at the close of business on the 15th day of the month immediately preceding such interest payment date (whether or not a business day) at the Owner's address set forth on the registration records maintained by the Trustee. Any

such interest not punctually paid or provided for will cease to be payable on such regular record dates and such defaulted interest may be paid to the person in whose name this Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by the Trustee pursuant to the Indenture.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Trustee shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the EDA.

This Bond is issued pursuant to Minnesota Statutes, Section 465.71, Sections 469.001 to 469.047, Sections 469.090 to 469.1082, Chapter 471, and Chapter 475, as amended (collectively, the "Act"), and in conformity with the provisions, restrictions and limitations thereof. This Bond does not constitute or give rise to a charge against the general credit or properties or taxing powers of the EDA or the City of Brooklyn Center, Minnesota (the "City") and does not grant to the Owner of this Bond any right to have the EDA or the City levy any taxes or appropriate any funds for the payment of the principal hereof or interest hereon, nor is this Bond a general obligation or a pecuniary liability of the EDA or the City or the individual officers or agents thereof. This Bond does not constitute an indebtedness of the EDA or the City, within the meaning of any state constitutional provision, statutory or charter limitation. This Bond and interest hereon are payable solely from Lease Payments to be paid by the City pursuant to a Lease-Purchase Agreement dated as of September 1, 2019 (the "Lease"), from the EDA to the City or other moneys held by the Trustee in a Fund or Account appropriated to the payment of the Bonds of this series under the Trust Indenture dated as of September 1, 2019 (the "Indenture").

THE OBLIGATION OF THE CITY TO MAKE LEASE PAYMENTS PURSUANT TO THE LEASE IS SUBJECT TO ANNUAL APPROPRIATION BY THE CITY COUNCIL OF THE CITY. IN THE EVENT THE CITY COUNCIL DETERMINES NOT TO APPROPRIATE MONEYS FOR THE PAYMENT OF LEASE PAYMENTS DUE IN A FISCAL YEAR, THE LEASE WILL TERMINATE AT THE END OF THE THEN-CURRENT FISCAL YEAR, AND THE CITY WILL HAVE NO FURTHER OBLIGATION TO MAKE LEASE PAYMENTS PURSUANT TO THE LEASE.

This Bond is one of a duly authorized series of special, limited obligation Bonds (the "Series 2019B Bonds") in an aggregate principal amount of $2,620,000, in denominations of $5,000 or integral multiples thereof not exceeding the principal amount maturing in any year, and numbered from R-1 upwards, and of like tenor and effect except as to serial number, denomination, interest rate, maturity and right of prior redemption, all of which have been authorized by law to be issued and have been issued or are to be issued by the EDA pursuant to a Bond Resolution adopted by the EDA on August 12, 2019 (the "Bond Resolution"), to provide financing for the acquisition and construction of the Site and Facilities described in the Lease. The Series 2019B Bonds are equally and ratably secured by the Indenture and the Lease. Pursuant to the Indenture, the EDA has assigned to the Trustee all of its right, title and interest

(other than certain rights to indemnity and payment of expenses) in and to the Lease and the Ground Lease dated as of September 1, 2019 (the "Ground Lease") from the City to the EDA. Reference is hereby made to the Ground Lease, the Lease, the Indenture, the Bond Resolution, and any amendments or supplements thereto for a description and limitation of the property, revenues and funds pledged and appropriated to the payment of the Series 2019B Bonds, the nature and extent of the security thereby created, the rights of the Owners of the Series 2019B Bonds, the rights, duties and immunities of the Trustee, and the rights, immunities and obligations of the EDA and the City thereunder. Certified copies of the Bond Resolution and executed counterparts of the Indenture, the Ground Lease and the Lease are on file at the office of the Trustee.

The Series 2019B Bonds are subject to extraordinary redemption on any Business Day in whole or in part in certain events of damage to or destruction or condemnation of the Site or the Facilities, or change of law as provided in the Lease, at a redemption price equal to par plus accrued interest.

The Series 2019B Bonds maturing on or after February 1, 202__ are subject to optional redemption, at the election of the City, in whole or in part, and if in part in such manner as the City shall determine, on August 1, 202__ and any date thereafter, at a redemption price of par plus accrued interest.

Notice of any such redemption, shall be given to the registered Owner of each such Series 2019B Bond by first class mail, addressed to the Owner's registered address, not later than 30 days prior to the date fixed for redemption. The Trustee may provide a conditional notice of redemption upon the direction of the EDA or the City. If a conditional notice of redemption has been provided and the conditions are not satisfied, such notice of redemption shall be of no force and effect and the Bondholders shall be restored to their former positions as though no such notice of redemption had been delivered. On or prior to the date fixed for redemption, funds shall be deposited with the Trustee sufficient to pay the Series 2019B Bonds called and accrued interest thereon, plus any premium required. Upon the happening of the above conditions, Series 2019B Bonds thus called shall not bear interest on or after the call date and, except for the purpose of payment from the funds so deposited, shall no longer be protected by the Indenture.

This Bond is transferable, as provided in the Indenture, only upon the registration records maintained by the Trustee by the Registered Owner hereof in person or by the Owner's duly authorized attorney, upon surrender of this Bond for transfer at the office of the Trustee, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by, the Registered Owner hereof or the Owner's duly authorized attorney, and, upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer, one or more Series 2019B Bonds of the same maturity, aggregate principal amount and interest rate will be issued to the designated transferee or transferees.

The Series 2019B Bonds are issuable only as fully registered bonds without coupons in denominations of $5,000 or any integral multiple thereof not exceeding the principal amount maturing in any year. As provided in the Indenture and subject to certain limitations set forth therein, the Series 2019B Bonds are exchangeable for a like aggregate principal amount of Series

2019B Bonds of the same maturity and interest rate, of different authorized denominations, as requested by the Registered Owner or the Owner's duly authorized attorney upon surrender thereof to the Trustee.

In case an Event of Default as defined in the Indenture or the Lease occurs, the principal of this Bond and all other Series 2019B Bonds Outstanding may be declared or may become due and payable prior to the stated maturity hereof in the manner and with the effect and subject to the conditions provided in the Indenture, but no Owner of any Series 2019B Bond shall have any right to enforce the provisions of the Indenture, the Lease, the Ground Lease except as provided in the Indenture.

With the consent of the EDA and the Trustee, and to the extent permitted by and as provided in the Indenture, the terms and provisions of the Indenture, the Lease, the Ground Lease, or of any instrument supplemental thereto, may be modified or altered by the assent or authority of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding thereunder.

IT IS HEREBY CERTIFIED AND RECITED, and the EDA has found, that all acts, conditions and things required to be done precedent to and in the issuance of this Bond and the series of which it is a part have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and that this Bond and the series of which it is a part does not constitute a debt of the EDA within the meaning of any constitutional, or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose until it shall have been authenticated by the execution of the certificate hereon endorsed by the Trustee under the Indenture.

IN WITNESS WHEREOF, the Economic Development Authority of Brooklyn Center, Minnesota has caused this Bond to be executed in its name by the facsimile signatures of its duly authorized officers, all as of the Date of Original Issue specified above.

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF BROOKLYNN CENTER, MINNESOTA

_____(Facsimile)_____
Chair

_____(Facsimile)_____
Executive Director

Date:

(Form of Trustee's Certificate)

This is one of the Bonds described in the within mentioned Indenture.

ZIONS BANCORPORATION

Date: _____

By _____
Authorized Signature

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____

_____

_____

_____

(Please Print or Typewrite Name and Address of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

_____

Please Insert Social Security Number or Other Identifying Number of Assignee

_____

Notice: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular, without alteration or any change whatever.

SIGNATURE GUARANTEED:

_____

Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Trustee, which requirements include membership or Participation in STAMP or such other "signature guaranty program" as may be determined by the Trustee in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Trustee in the name of the person last noted below.

Date of Registration	Registered Owner	Signature of Trustee
	Cede & Co. Federal ID #_____	
_____		_____

Council/EDA Work Session
City Hall Council Chambers
August 12, 2019

AGENDA

The City Council requests that attendees turn off cell phones and pagers during the meeting. A copy of the full City Council packet is available to the public. The packet ring binder is located at the entrance of the council chambers.

ACTIVE DISCUSSION ITEMS

1. Places of Worship in the I-2 District Discussion
2. Zoning Code Task Force Charter Discussion
3. Opportunity Site Community Engagement Discussion
4. Discussion on Selecting a Proposal to Build a Residential Home on EDA-Owned Property Located at 5355 Emerson Ave N
5. Discussion on Leasing EDA-Owned Property to Private Parties and Food Truck Operations Within the City

PENDING LIST FOR FUTURE WORK SESSIONS

1. Pending Items
   - Livable Wages
   - Liquor Ordinance/Entertainment Permit - 8/26
   - Liquor Ordinance Updates - 8/26
   - 2020 Elections Update - 8/26
   - Public Subsidy Policy- ?
   - Commemoration of 400 years of Slavery Activities
   - Police Crisis Prevention Options
   - Residential Design Standards
   - SAC Credit Policy
   - Target Property

MEMORANDUM - COUNCIL WORK SESSION

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: Meg Beekman

FROM: Meg Beekman, Community Development Director

SUBJECT: Places of Worship in the I-2 District Discussion

Recommendation:

- Consider places of worship as a land use within the I-2 District and provide direction to staff on how to proceed.

Background:

City staff have been approached by a group seeking to relocate a religious based place of worship and community center within the City. The group has previously been leasing space within Brooklyn Center, along Brooklyn Boulevard, but the building has recently sold and is no longer available. They would like to remain within the City, as their community is largely based within the Brooklyn Center and Brooklyn Park area.

They are seeking a space to purchase, in which to create a community center and gathering place. Uses would include worship space, gathering and event space, classroom space, and office space. They gather several times per week, primarily Friday through Sunday. Worship times are on Friday and could be divided into more than one to accommodate their numbers.

After much searching to find a suitable building to purchase, they have identified 4900 France Avenue N. This property has been for sale or lease for over a year, but was previously used as a kennel and veterinary clinic. The property is zoned I-2 and is comprised of two structures; one which is a newer split-level office building, and a second which is a circular shared structure that is older. The group believes that the property would meet their needs and is interested in purchasing it to convert to their purposes. As part of their due diligence they met with City staff to inquire as to the process to allow the use of the property as a place of worship and community center.

Places of worship generally fall into a category of uses considered “Assembly”. These are uses where generally large numbers of people may congregate, or assemble, at one time. Other similar uses might be theaters, auditoriums, mortuaries, dance halls, arenas, or certain places of entertainment. Federal law protects religious land uses in that it requires cities to regulate them the same way it regulates other similar uses, and to treat them equally and fairly when making land use regulations as well as land use decisions regarding them. For example, a city would need to provide a fact-based reason that it might allow movie theaters in a particular zoning district, but not religious uses since the land uses are similar.

I-2, General Industrial District
As noted, the property is zoned I-2, General Industry. I-2 is a heavy industrial district. Permitted uses include, manufacturing; wholesale trade; distribution; services such as auto and truck repair, contract construction, warehousing and storage, service stations; truck terminals; transit terminals; or other uses similar in nature as determined by the City Council. Special uses permitted in the district include foundries, retail sales of products

manufactured on site, and accessory off-site parking. Places of worship are not currently permitted or specially permitted uses in the I-2 District.

Places of worship, or religious uses, are expressly permitted within the R-1, R-2, R-5, and C-1 Districts in the City. There is also at least one instance in which they have been allowed via a PUD in the I-1 District, which is a lighter industrial district comprised of a mix of office, hotel, mixed business, and light industrial uses.

Process

City staff consulted with the City Attorney to identify potential paths forward for the requested reuse of the property at 4900 France Avenue. Based on a number of factors, the City Attorney and staff agree that the most legally defensible way to process the request would be through a zoning code text amendment to the I-2 District, which would make religious uses allowed through special use permit. This would allow the group to apply for a special use permit, and if able to meet the conditions of the permit, reuse the property for their desired purpose. The text amendment would apply to all properties within the I-2 District, thus allowing religious uses within any I-2 zoned parcel provided it was able to meet the conditions of the special use permit process.

The decision to allow religious uses within the I-2 District is a legislative one, and ultimately a policy decision on the part of the City Council. Industrial properties, particularly heavy industrial properties tend to have the greatest impacts on surrounding properties in terms of noise, dust, odors, traffic, and outdoor storage. Generally, industrial users tend to locate in areas away from non industrial uses to minimize complaints that may arise. On the other hand, it is likely that religious uses would utilize their properties during hours when industrial users are not in operation, which may minimize issues.

A further consideration is parking demand. Assembly uses tend to have higher parking demand than other types of uses due to the nature of their visitors. Industrial uses by contrast tend to have low parking demand relative to their square footage because these uses generally have lower employment densities. Religious uses seeking to utilize industrial property for space may find that the available parking is not sufficient to meet their demand.

From a regional market perspective, industrial property is currently well stabilized, particularly compared with office and retail products. Industrial properties within the 694/494 loop are currently highly valued and vacancy rates are low. This trend holds true within Brooklyn Center's industrial market.

The property at 4900 France Avenue N is unique in its vacancy, in part due to the age and nature of the structures on the site, which are not typical of surrounding industrial uses. Rather than a single large building, the property is comprised of two smaller structures, one of which is a two-story office building, and neither is well suited for more industrial-type uses.

Special Use Permit Process

If the City Council chooses to allow religious uses in the I-2 District, staff would recommend allowing them via special use permit. This would allow some of the concerns identified above to be considered and mitigated on a case by case basis with each application. For example, if large numbers of people gathering at the property is a concern for assembly-type uses, a special use permit process could require that a traffic and parking study be conducted to ensure that access, circulation, and parking were adequate on site. If they weren't, a condition of approval could require a transportation demand management plan to deal with times when the parking or access routes were exceeded.

On this particular site, train traffic can be a concern at certain times of the day, closing road access. A traffic and parking study could look at the impact of road closures and identify if this would be a concern.

4900 France Avenue N

The City Planner and Building Official met with the interested party to go over the site, explain the process, and identify any Building and Fire Code items that they should be aware of. The conversion of the site to an assembly use would constitute a change of use from the perspective of the Building and Fire Code, thus trigger any required upgrades to the fire suppression system, installation of ADA requirements, as well as other Fire and Building Code requirements. Assembly uses have a higher fire suppression standard than other types of uses because of the congregating of people that occurs within the buildings. It is important that prospective buyers understand the full implications of what would be required of acquiring and converting a building before they purchase it.

As part of that meeting parking was discussed. The property currently has 18 parking stalls. According to the City Planner, after visiting the site and measuring out the parking area, an additional 8 could be striped in. The Zoning Code requires 1 parking stall for every three congregants for religious uses, meaning the parking would allow for only 75 people at a time. This is not sufficient based on staff's understanding of the groups actual needs, and so it is not clear how this will be handled.

In addition, the Building Official identified several upgrades which would be necessary in order to convert the building. These included ADA upgrades to bathrooms, ingress/egress, parking, and the interior of the building which may require an elevator or lift. The building will also need to be sprinklered and a SAC fee determination done. According to the Met Council there is only one SAC unit on the property, so a change in use would trigger a recalculation, and likely more SAC units to be paid. The Building Official is seeking additional information as to what that might be from the Met Council.

The group agreed to look into the required building improvements.

Next Steps
If the City Council indicates they are open to the zoning code text amendment, staff will work with the City Attorney to draft revised language which would then go to the Planning Commission for a public hearing, consideration, and a recommendation. The City Council would then take the Planning Commission's recommendation into consideration as part of a first and second reading of the ordinance amendment.

Once the language was drafted and the process underway, the prospective buyers would then need to apply for a Special Use Permit under the language and conditions of the new ordinance.

Policy Issues:

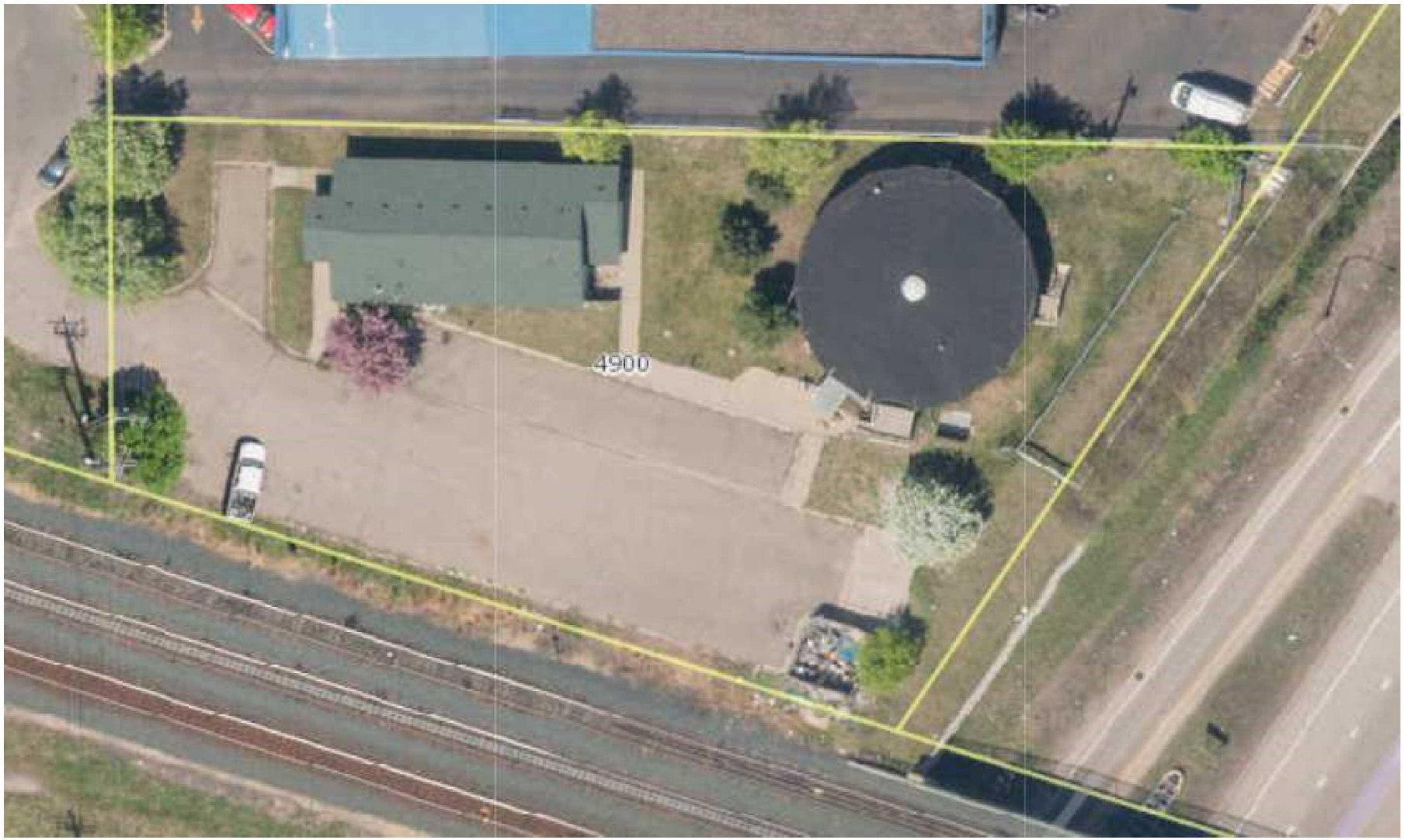
- Are Religious Uses a compatible use within the I-2, General Industrial District?
- Should Religious Uses be permitted within the I-2, General Industrial District?
    - If so, what potential impacts might these, and other similar assembly uses, have that could be mitigated with conditions or requirements within the ordinance language?

Strategic Priorities and Values:

Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
Aerial	8/6/2019	Backup Material
Site Context	8/6/2019	Backup Material
Zoning Map	8/8/2019	Backup Material


4900


50th Ave N
50th Ave N
Azalia Ave N
Lakebreeze Ave N
3900
4911
4912
4900
4830
3900
3715
3707
3701
3607
5001
3614
5001
4913
4907
4901
3855
4810
4837
4819
4807
4100
4751
100

Brooklyn Center Zoning Map

ZONING DISTRICTS

- R1 One Family Residence
- R2 Two Family Residence
- R3 Multiple Family Residence
- R4 Multiple Family Residence
- R5 Multiple Family Residence
- R6 Multiple Family Residence
- R7 Multiple Family Residence
- C1 Service/Office
- C1A Sevice/Office
- C2 Commerce
- I-1 Industrial Park
- I-2 General Industry
- O1 Public Open Space
- O2 Public & Private Open Space
- C1/R5/R4 Office/Service & Multiple Family Residence
- PUD/R1 Planned Unit Development/One Family Res.
- PUD/R3 Planned Unit Development/Multi-Family
- PUD/C1 Planned Unit Development/Office-Service
- PUD/C1A Planned Unit Development/Office-Service
- PUD/C2 Planned Unit Development/Commerce
- PUD/I1 Planned Unit Development/Industrial Park
- PUD-MIXED
- Central Commerce Overlay District

Airport Safety Zones (refer to Minn. Rules 8800.2400)

Mississippi River Corridor Critical Area Boundary Line

Private Roads

ZONING DISTRICT NOTES

ALL DISTRICT BOUNDARIES EXTEND TO THE CENTERLINE OF STREETS

RESIDENTIAL
- R1 - ONE FAMILY RESIDENCE (One Family Dwellings)
- R2 - TWO FAMILY RESIDENCE (One and Two-Family Dwellings)
- R3 - MULTIPLE FAMILY RESIDENCE (Townhouse/Garden Apts./Condos
- R4 - MULTIPLE FAMILY RESIDENCE (1-1/2 & 2-Story Dwellings)
- R5 - MULTIPLE FAMILY RESIDENCE (2-1/2 & 3 Story Dwellings)
- R6 - MULTIPLE FAMILY RESIDENCE (4 or 5 Story Dwellings)
- R7 - MULTIPLE FAMILY RESIDENCE (6+ Story Dwellings)

CC - CENTRAL COMMERCE OVERLAY
(Refer to City Code Sect. 35-2240 for allowable uses and prohibited uses)

COMMERCIAL
- C1 - SERVICE / OFFICE (Min. 1-ac. lots/3-story max.)
- C1A - SERVICE / OFFICE (Min. 1-ac. lots/No Height Limitations)
- C2 - COMMERCE

INDUSTRIAL
- I-1 - INDUSTRIAL PARK
- I-2 - GENERAL INDUSTRY

OPEN SPACE
- O1 - PUBLIC OPEN SPACE
- O2 - PUBLIC AND PRIVATE OPEN SPACE

PLANNED UNIT DEVELOPMENT
The underlying zoning is designated after the "PUD/____" (e.g. "PUD/C2" equals Planned Unit Development/Commerce)

100 YEAR FLOOD ELEVATIONS AT SELECTED LOCATIONS

WATERWAY	LOCATION	ELEVATION (FT. NGVD)
SHINGLE CREEK	AT 53RD AVE N	842
	AT 69TH AVE N	846
	AT BROOKLYN BLVD	859
MISSISSIPPI RIVER	AT 53RD AVE N	816
	AT 73RD AVE N	820
TWIN LAKES	SHORELINE	856
RYAN LAKE	SHORELINE	856

NOTE: SEE FEMA/FIA FLOOD INSURANCE STUDY DATED SEPT. 2004 AND FLOODWAY MAPS AND FIRM MAPS DATED SEPT 2004 FOR DETAILED INFORMATION ON FLOODWAY LIMITS AND PROFILES

This Zoning Map reflects council-approved zoning changes up to its effective date of September 5, 2015. The zoning designations shown on this map must be interpreted by the City's Zoning Code and policies. These zoning designations are subject to change as part of the City's ongoing planning process.

This map is neither a legally recorded map nor a survey and is not intended to be used as one. This map is a compilation of records, information and data located in various city, county, state and federal offices and other sources regarding the area shown, and is to be used for reference purposes only. The City does not warrant that the Geographic Information System (GIS) Data used to prepare this map is error free, and the City does not represent that the GIS Data can be used for navigational, tracking or any other purpose requiring exacting measurement of distance or direction or precision in the depiction of geographic features. If errors or discrepancies are found please contact (763) 569-3335. The preceding disclaimer is provided pursuant to Minnesota Statutes §466.03, Subd. 21 (2013), and the user of this map acknowledges that the City shall not be liable for any damages, and expressly waives all claims, and agrees to defend, indemnify, and hold harmless the City from any and all claims brought by User, its employees or agents, or third parties which arise out of the user's access or use of data provided.

Document Path: L:\Users\ComDev\Zoning\Zoning Map 2015.mxd

LOCAL STREET INDEX

ADMIRAL LANE	4-B,C
ADMIRAL PLACE	4-B
ALDRICH COURT	1-F
ALDRICH DRIVE N.	5-F
AMY LANE	1-E
AZELIA AVE.	7-B
BELLVUE LA	G-5
BOULDER LANE	3-A
BROOKLYN BOULEVARD	1-A,6-C
BROOKLYN DRIVE	3-D
BROOKLYN PLACE	1-A
BROOKVIEW DRIVE	5-D,E
BURQUEST LANE	5-B
CAMDEN COURT	3-G
CAMDEN DRIVE	2-G
COMMODORE DRIVE	4-C
DALLAS ROAD	1-G
DUSHARME DRIVE	7-C
EARLE BROWN DRIVE	3,4-E
EAST TWIN LAKE BLVD.	5,6-B
ECKBERG DRIVE	5-B
ELEANOR LANE	3-A
EMERSON LANE	1-F
ERICON DRIVE	5-D,E
EWING LANE	3-C
FRANCE PLACE	4-B
FREEWAY BOULEVARD	2-D,E
FREMONT PLACE	2-F
GREAT VIEW AVE.	6-B
GRIMES PLACE	2-B
HALIFAX DRIVE	3-B
HALIFAX PLACE	4-B
HILLSVIEW ROAD	5-E
HOWE LANE	2-A
HUMBOLDT PLACE	2-E
IRVING LANE	1-E
JAMES CIRCLE	3-E
JANET LANE	3-B
JOHN MARTIN DRIVE	4-D,E
JOYCE LANE	3-B
JUDY LANE	5-E
KATHRENE DRIVE	3-B
LAKEBREEZE AVE.	7-B
LAKE CURVE LANE	4-B
LAKESIDE AVE.	7-B
LAKESIDE PLACE	6-B
LAKEVIEW AVE.	7-B
LAWRENCE ROAD	3-C
LILAC DRIVE	6-C,3-F
MARLIN DRIVE	3-B
MUMFORD ROAD	3-C,D
NASH ROAD	3-C,D
NOBLE LA	2-A,B
NORTHPORT DRIVE	4,5-C
NORTHWAY DRIVE	4-D
OAK STREET	6-B
O'HENRY ROAD	3-C,D
OLIVER CIRCLE	1-F
ORCHARD LANE	2-A
OSSEO ROAD 5300-5800	5-C
PALMER LAKE CIRCLE	1-C
PALMER LAKE DRIVE	1-C
PAUL DRIVE	3-A
PEARSON DRIVE	4-B
PERRY COURT - EAST/WEST	1-A
PERRY PLACE	1-A
POE ROAD	3-C
PONDS DRIVE N.	1-A
QUAIL CIRCLE - EAST/WEST	1-A
QUARLES ROAD	2-C
RIVERDALE ROAD	1-G
RIVERWOOD LANE	2-G
SAILOR LANE	5-C
SHINGLE CREEK PARKWAY	2E-4D
SHORES DRIVE	4-B
SUMMIT DRIVE	3,4-E
THURBER ROAD	2-C
TWIN LAKE AVE.	7-B
URBAN AVE.	1-C
VIOLET AVE.	1-C
WILLOW LANE	1,3-G
WINCHESTER LANE	2-A,B
WINGARD LANE	1-A
WINGARD PLACE	1-A
WOODBINE LANE	1-B,C,F
XERXES PLACE	2-D
YORK PLACE	2-C
4TH STREET	5-G
5TH STREET	2-G
53RD PLACE	5-C
58 1/2 AVE.	4-C
59 1/2 AVE.	4-B
63RD LANE	3-F
67TH LANE	2-D,F
68TH LANE	2-D,F
69TH LANE	2-D
70TH CIRCLE	1-A
71ST CIRCLE	1-A
72ND CIRCLE	1-A

0 0.25 0.5 1 Miles

City of BROOKLYN CENTER

MEMORANDUM - COUNCIL WORK SESSION

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: Dr. Reggie Edwards, Deputy City Manager

FROM: Barb Suciu, City Clerk

SUBJECT: Zoning Code Task Force Charter Discussion

Recommendation:

- Consider the Zoning Code Task Force applications and consider providing direction on membership

Background:

As part of the Becoming Brooklyn Center project, the city will be working with its consultants to update and rewrite several sections of the City Code. Most prominently the zoning code will be updated; however, the project also anticipates updating the sign code, the platting code, and drafting a new shoreland ordinance. The purpose of the update is to:

- Streamline and modernize the outdated code, to make it more user-friendly, responsive to current development review needs, and consistent with state statute.
- Develop and incorporate new mixed use and transit oriented development (TOD) districts, consistent with the guidance in the City's new 2040 Comprehensive Plan.
- In general, ensure the zoning code is consistent with the city's new comprehensive plan, as required by state statute.

As part of this effort a community engagement strategy is being developed, which includes focus group discussions with key interest groups related to components of the code; pop up meetings at events happening in the City; a project website; survey questions; an online mapping tool; and community open houses. A draft of the community engagement strategy with more detail is attached to this report.

While the zoning code affects the entire city, the drafting of ordinance language does not lend itself well to a broad reaching community engagement effort. While input from the community will be gathered, staff is seeking a community-based adhoc task force, which will have the opportunity to provide a more sustained feedback loop as ordinance language is drafted. The task force would meet four to five times over the course of the project and have an opportunity to provide input on all aspects of the ordinance update.

The role of the task force will be to advise the consultant team and staff, and ultimately the Planning Commission and City Council, as the new ordinance language is drafted and adopted. The Planning Commission serves as the formal advisory body to the City Council on all zoning code matters, and this task force would not supersede that role. The purpose of the task force would be to assist the Planning Commission make their recommendation by providing additional community input in the process. Attached is a charter for the task force with more detail. It is recommended that a minimum of two Planning Commissioners, two Housing commissioners, and two business owners serve on the task force with the remaining membership being comprised of residents. A total number of 10-12 members was identified as a membership goal.

Membership
Staff advertised the creation of the task task force via direct recruitment, emails to community partner organizations, communication with area religious leaders, social media, the Sun Post, flyers posted in various locations around the City, and word of mouth. No deadline for application was identified as Staff did not know what the level of interest would be in the task force.

To date the City has received 21 applications from interested individuals. Interested parties were asked to volunteer demographic information about themselves in order to assist with achieving diversity on the task force, though this information was not required in order to be considered. Also worth considering is the geographic distribution of members throughout the City in order to ensure broad input from multiple neighborhoods. The charter did not specify if individuals needed to own a business in the City or be a resident of Brooklyn Center, though Staff believes this is inferred by the nature and purpose of the group.

Attached is a list of applicants in order of when they submitted their application, along with any information they provided about themselves.

Of the 21 applications, staff believe at least eight are from people of color; representing Hmong, West African, and African American demographics. More detailed information about the applicants will be provided as part of the work session discussion.

Based on the level of interest, staff is recommending increasing the number of members of the task force to 14. This will allow full participation in the event a member or two cannot be present at every meeting.

Once the membership is determined a kick-off meeting will be scheduled based on availability.

Policy Issues:

- Which applicants should be identified to sit on the task force?

Strategic Priorities and Values:

Inclusive Community Engagement

ATTACHMENTS:

Description	Upload Date	Type
Task Force Charter	6/3/2019	Backup Material
Draft Zoning Code Update Engagement Plan	6/3/2019	Backup Material
Task Force Applicants/Non Applicants	8/7/2019	Backup Material
Task Force Ballot	8/7/2019	Backup Material
Recommendations	8/7/2019	Backup Material

City of Brooklyn Center
Charter: Zoning Task Force *06-10-19*

Task Force Name: Zoning Task Force

Sponsor: Meg Beekman, Community Development Director

Rationale

The City of Brooklyn Center is updating its zoning code. The purpose of the update is to:

- Streamline and modernize the outdated code, to make it more user-friendly, responsive to current development review needs, and consistent with state statute.
- Develop and incorporate new mixed use and transit oriented development (TOD) districts, consistent with the guidance in the City's new 2040 Comprehensive Plan.
- In general, ensure the zoning code is consistent with the city's new comprehensive plan, as required by state statute.

While the zoning code affects the entire city, the drafting of ordinance language does not lend itself well to a broad reaching community engagement effort. While input from the community will be gathered in a number of different ways, there is a need for a more sustained feedback loop as ordinance language is drafted. Due to this fact, a task force structure with a diverse representation of key stakeholders can be helpful in providing community-based feedback throughout the zoning code update process.

Purpose

The Zoning Task Force will advise staff and the consultant team on the development of the Brooklyn Center zoning code update, including the development of new zoning districts, and other elements of the city code that are being updated as part of this project. This advisory role will inform and guide the development of the zoning code, and will assist the Planning Commission, which is the official recommending body to the City Council on matters related to the Zoning Code, in ultimately making the most informed decision. The Zoning Task Force will not be voting on the outcome, and group recommendations will be arrived at through consensus-based decision making. The City Council makes the final decision on all changes to the city code.

Objectives

The desired objectives of the Zoning Task Force will be:

- Provide input into the goals and priorities associated with the zoning code update, including focus areas for change and/or improvement. Areas of focus include:
    - Chapter 35, Zoning Code

    - Chapter 34, Sign Code
    - Chapter 15, Platting
    - Shoreland Ordinance
- Review and comment on draft code documents, including new districts.
- Provide input and feedback on strategies for broader public engagement on the zoning code update.
- Improve the quality of the zoning code outcome in terms of relevance and user-friendliness.

Task Force Membership

Task force members will be selected with the goal of achieving a diverse representation of the community. Members should have an interest in the subject matter and a basic understanding of the function of zoning and land use regulation. Membership will include 10-12 community members. Membership will include:

- Two members of the Planning Commission
- Two members of the Housing Commission
- A minimum of two business owners

Meeting Agendas and Notes

- Task force members will receive the upcoming meeting agenda and materials no less than 1 week before the scheduled meeting.
- Meeting notes and follow-up materials will be distributed to task force members via email within 1 week after meeting.

Time Commitment

- The task force will meet four times during the development of the zoning code.
- Additional time may be needed to review materials in advance of the meetings.
- Meeting times will be chosen based on the availability of task force members.
- Total time commitment estimated to average 2-4 hours monthly during the course of the project.

Meeting Schedule

- July 2019 – Kickoff, existing conditions, overall format, and meeting schedule
- September 2019 – Code update focus areas
- November 2019 – Draft mixed use and TOD districts
- February 2020 – Draft code document review

BECOMING
BROOKLYN CENTER

Zoning Update Public Engagement Plan

Introduction

Overview

As part of a larger effort to revitalize its city center and refresh regulatory guidance citywide to meet community goals, the City of Brooklyn Center is undertaking a multi-part project starting in 2019. The update to the City's zoning code is a key component.

The City is pursuing the development of new zoning code that will supersede the existing zoning ordinance. This will include a new subdivision ordinance, sign ordinance, and shoreland ordinance, including Mississippi River Corridor Critical Area requirements. It will also include new zoning districts and design standards that implement the 2040 Comprehensive Plan Future Land Use Map new land use categories including TOD, Neighborhood Mixed Use, Business Mixed Use, and Commercial Mixed Use.

The City desires a clear, basic zoning code that is consistent throughout, includes definitions for all relevant terms, effectively utilizes graphics and tables, and is legally defensible. Tasks associated with this work include scanning existing plans and ordinances, evaluation of existing conditions, drafting the code and districts, edits refinements, adoption, formatting, rezoning strategy, and staff training.

With the zoning ordinance, some of the biggest challenges to an effective engagement strategy stem from the fact that it is a dense legal document that is largely unfamiliar to the public. However, it has broad implications for what people can do with their property, and how the city is able to plan for, shape, and approve new development. Some key messages are provided below.

Messaging

Clear and consistent messaging about the zoning update will be needed, to keep this project moving forward. Key overall messages about the project include:

- **Clearer, more user-friendly document will make it easier for people to get projects done.** The code will be designed to make it clear and straightforward how to proceed with the most common applications. Supporting materials will provide additional guidance, including for people who are unfamiliar with how the code works.
- **Advancing city goals for redevelopment and reinvestment**. New districts and revised language will align the code with a city vision for a compact and vibrant urban core, including transit oriented development as well as streamlined and improved processes. This will demonstrate the intent of the community in its redevelopment strategy.
- **Grounding in data and best practices**. The options considered for the zoning code will come from a clear understanding of existing conditions and the city, and a review of the best practices in codes throughout the country, to ensure that the result is the best fit for the city.
- **Meaningful input from the community**. The engagement will focus on questions related to how the public will most likely be impacted by the zoning code, as well as issues and concerns expressed by the community which an improved code could help address.

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Public Engagement Methods

This section outlines specific outreach activities throughout the life of the project, including: in-person engagement, online engagement, documentation and reporting, and communication tools.

In-Person Engagement

In-person engagement will consist of technical advisory committee meetings, open houses, pop-up engagement, focus group meetings, and meetings with partner agencies.

Technical Advisory Committee (TAC)

The overall Becoming Brooklyn Center project TAC consists primarily of City of Brooklyn Center staff. It will be used to steer the project through regular working meetings. The frequency of the meetings will be approximately every two weeks near the start, to accommodate the fast-track schedule for the Opportunity Site.

There will be a secondary TAC focused just on the fast-track Opportunity Site work during the first phase as well. This will include a subset of the larger TAC, as well as representatives from the Alatus development team and their partners. Check-ins are anticipated to be as frequent as weekly, though many of these may be achieved through emails and phone calls rather than in-person meetings. The intent is to provide a time to connect on the fast-developing aspects of the project at this stage.

Focus Group Discussions and Interviews

The zoning code update has the potential to impact everyone, but has deeper implications for certain groups – particularly the developer, builder, and real estate professional communities. Those more frequent users of the code likely will have more insights into how the code currently functions and what should be done to improve it. It is anticipated this will be done through several focus groups and/or one-on-one interviews of individuals identified through the process.

Public Open Houses

The overall Becoming Brooklyn Center engagement approach will include at least three open houses. Open houses will be designed to be engaging and accessible for all ages and backgrounds. It is anticipated that some information on the zoning code update be included at each open house. At earlier ones, the content is likely to focus on educational pieces about the code and preference questions regarding issues that need to be addressed. In later ones, this will shift to review and feedback on draft language with a focus on concepts and sections with significant change.

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To help people connect with this technical content, the approach will focus on a "day in the life" type concept, where the participant is invited to follow the story of a typical applicant who is seeking approval for a project. It is anticipated that a side benefit of this approach could be a deeper understanding of how to access city services – and a better sense of what the path towards improving a property looks like.

Pop-Up Engagement

The project will take engagement to the public through pop-ups at events and locations where people gather. This is an opportunity to meet them where they are and engage them in a non-intimidating way. There will be approximately 4-5 pop-up engagements, primarily during the summer and fall of 2019, though more may be possible with assistance from city staff. The team will use the similar materials and activities to the open house, but scaled for quick and simple interactions. This could include participation in "tabled" events such as street and park festivals, as appropriate, to cast a wide net for in-person engagement opportunities.

Events targeted for pop-ups may include some of the following:

- Garden city (5/16/19)
- BCPP golf tournament (6/7/19)
- Saturday market (6/8/19)
- Earle Brown Days (6/20/19-6/22/19)
- Saturday market (7/13/19)
- Riverdale Park (7/24/19)
- National Night Out kickoff party (8/5/19)
- National Night Out (8/6/19)
- Saturday market (8/10/19)
- Safety academy (8/13/19-8/14/19)
- Other dates to be determined

It is anticipated that some of these will be coordinated with the outreach on the public realm and beautification plan. There will be ongoing coordination regarding schedules between the two projects to look for opportunities to combine efforts and maximize impact.

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Online Engagement

Online engagement, while not a substitute for in-person outreach, can efficiently and effectively expand the reach of an engagement process. The summary below focuses on how these Become Brooklyn Center tools can be used specifically for zoning code engagement.

Project Website

The Becoming Brooklyn Center project website. will be used for project information, upcoming events, opportunities to get involved, and places for public comment. It may also provide links to online surveys and other engagement activities, as well as a way to sign up to receive more information on the project. The purpose of the website would be to be a one-stop shop for information on the project.

Online Surveys

The City of Brooklyn Center has a Polco online survey subscription to solicit feedback from the public. The team will develop a series of engaging questions on relevant topics to distribute via Polco. Results will be used to inform key decisions in project development. It is anticipated that new questions may be circulated as often as weekly, though the exact timing will depend somewhat on the response rate. For the zoning code update engagement, questions may address:

- What zoning-related issues are a concern in your community? (e.g. gravel driveways, guidelines for house additions, landscaping and screening, signs, etc.)
- Have you had any experience with the implementation of the zoning code? How did that go, and what may have improved it?
- What type of new development would you like to see in the community – particularly something that is different than what has been developed in the past?
- What improvements would you like to do to your property, or have done by the property owner? What changes would you not like to see?

InputID (Online Comment Map)

To complement the text questions circulated via Polco, the project team will use InputID™, an online public input application with a customizable interface and tools, to allow for geographically specific feedback. For the purpose of the zoning code update, this can be used for comments where people want to reference specific locations in the area and comment on them.

Social Media Campaign

Social media is another platform to inform and engage the public. In addition to more informational posts, it is proposed that social media will be used to pose a series of questions. These may be the same as the ones being posted on Polco, or differently focused depending on preference. The responses and comments generated will be summarized along with other comments.

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Communication Tools

It is important to widely publicize opportunities for engagement, particularly among groups that are targeted for engagement. A variety of tools will be used to get the word out about the project and opportunities for engagement. Potential tools may include:

- Event flyers and postcards
- Social media updates
- Website postings
- Media advisories and press releases
- Information shared through the schools or other community-based groups
- Email updates via City systems (existing or new email lists)
- Information available in public buildings (city hall, community center, library, etc.)
- Updates shared through neighborhood and business association networks and meetings
- On-site signage
- Joint communications with other partners working in the area

All communications will be coordinated with City staff.

Proposed Schedule

Proposed dates for zoning code update engagement include:

- June 2019: focus group discussions and interviews
- June-July 2019: open house #1
- June-September 2019: pop up events
- September-October 2019: open house #2
- February-March 2020: open house #3

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Tamika Baskin
Brooklyn Center Resident
"I assume this task force will be an essential component for the final decision that will impact the geographic zone of your city; thereby; impacting the demographics, affordability, along with the future make up of Brooklyn Center. This task force should be rich in social diversity. I am also am member of the Housing Commission."

Joelene Calvert
Brooklyn Center Business Owner
We, as a company, have always been interested and involved in the community and city planning. We believe being an active, informed member of the community we operate in is an important part of running a company.

Rebecca Crass
Brooklyn Center Resident
"I gained knowledge and understanding of zoning, development, etc as a resident and former employee who worked with the city planner and planning commission for over 20 years. I believe it is important that the City move in the right direction to sustain housing, industrial and commercial development and redevelopment in the appropriate areas of the city."

Dr. Paul Dettling
Brooklyn Center Business Owner
"I own and operate a small healthcare business called Dettling Chiropractic Rehab and Performance. With Brooklyn Center being the future of my business it is important to me to provide my input for what the shape of the city will be going forward."

Justin Gastreich
Brooklyn Center Resident
"I'm interested in helping shape the future of our city."

Michael Greene
Brooklyn Center Resident
"I'm just looking for opportunities to get involved with my community."

Tim Haroldson
Brooklyn Center Resident
"I grew up in Brooklyn Center, graduated from Brooklyn Center High School and worked at the former Brookdale Shopping Center for 20 years in Property Management. I currently reside in the city. I have good knowledge of the city and always have the best interest for our community. My background is in Security Management and Retail Property Management/Operations."

Steve Landis
Brooklyn Center Resident; former Housing Commission and Finance Commission member
"I have always been active in the community. As a former Housing and Finance Commission Chair and active participant in planning for the Opportunity Site, the project greatly interests me. "

Nelima Sitati Munene
Employer interest
"ACER is an issue based organization that engages mainly the African diaspora community, and the community in general to address issues that impact them and to come up with solutions. We are interested in this project as an organization that has been working to engage the community in Brooklyn Center and beyond on issues that impact the community including land use and community development. We bring a lot of knowledge, expertise and most important relationships with especially disenfranchised communities who are not usually at the table. We are seeking a seat on the committee and as part of the work, we will be bringing the information back to our wider constituency base, as well as bringing ideas from them to the table. We also see this as part of our continued work with the city in continuing to consult with community in cocreating policies that will impact the future changing city of Brooklyn Center."

Jude Nadi
Brooklyn Center Resident
"I am the president of Minnesota African Coalition - MAC. We are a coalition of organizations and individuals representing the Minnesota African immigrants. We partner and collaborate with cities and other entities to fully engage our people to contribute in the community development where we reside. Our land is a finite resource that requires creativity, diligence and innovation to maximize its uses. I am a general contractor and community organizer. My interest to get more interactions from our community as an African immigrant and share with the community, the planning commission, the staff and other stakeholders to shape the future of our city where all are welcome to live and contribute their best."

Kim Quayson
Brooklyn Center Business Owner
"I'm a strong supporter of local democracy. I believe that it is essential that members, whether a resident, business owner, property owner or other valuable community partners, play an active role within their community. I'm a minority who is a mom of three awesome children. My youngest, who is 16, is Autistic. I also have been a business owner for over twenty years. My business(es) provides services throughout the State of Minnesota, including Brooklyn Center. My very first job as a youth was in Brooklyn Center.

I believe that all voices should be represented within a committee as important as the Zoning committee. I currently own a specialty contracting construction company. My construction company specializes in environmental services (which includes consulting, testing, removal, and other services.) I consult developers, contractors, etc. on a range of topics from diversity to crowdfunding (aka syndication). I would like to understand the planning process from the local government view. It would be a great learning experience in many dimensions, including the "people perspective."

I've received many awards including the Community Impact Award from the Minnesota Housing Finance Agency. My long-term goal is to one day own and manage real estate portfolio that would include affordable housing.

To conclude, I'm known for being fair and open-minded. I'm also a great listener, come prepared for meetings, have analytic skills (which I believe is an important skill that is sometimes

overlooked) and some understanding of issues facing the community (resident, business owners, property owners, etc.)."

Diane Sannes
Brooklyn Center Resident
"Community leader with faith communities, all schools, Metro Transit, Neighborhoods, Environmental issues, seniors/senior housing, businesses, history and more.

Interested to learn and provide input as the city pursues new growth around the city and to assist to ensure new developments benefit residents of Brooklyn Center while strengthening city investments in land and infrastructure. "

Judy Thorbus
Brooklyn Center Resident
"Being a life-long resident of the city and voluntarily serving the 3 Commissions I have always had a genuine interest in what is happening in the city. I subscribed to Brooklyn Center Post, have attended city council meetings and neighborhood meetings, as well as being a neighborhood watch contact and organizer of my neighborhood watch. I have seen and experience Brooklyn Center in her former life and want to have a say in her future!"

The following did not apply but expressed interest in serving on the Task Force.

Simone Acolsta
Brooklyn Center Business owner

Francis Best
Student

Harlan Daudt
Brooklyn Center Resident

Alexander Koenig
Brooklyn Center Resident; Planning Commissioner

Joan Schonning
Brooklyn Center Resident; Housing Commissioner

Steve Schonning
Brooklyn Center Resident

Laura Vang
Brooklyn Center Resident; Multicultural Advisory Committee member

City of Brooklyn Center

Zoning Task Force

Ballot

(Vote for up to 12)

- ⬭ Tamika Baskin
- ⬭ Joelene Calvert
- ⬭ Rebecca Crass
- ⬭ Dr. Paul Dettlling
- ⬭ Justin Gastreich
- ⬭ Michael Greene
- ⬭ Tim Haroldson
- ⬭ Steve Landis
- ⬭ Nelima Sitati Munene
- ⬭ Jude Nadi
- ⬭ Kim Quayson
- ⬭ Diane Sannes
- ⬭ Judy Thorbus
- ⬭ Simone Acolsta
- ⬭ Francis Best
- ⬭ Harlan Daudt
- ⬭ Alexander Koenig
- ⬭ Joan Schonning
- ⬭ Steve Schonning

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- ⬭ Alexander Koenig
- ⬭ Joan Schonning
- ⬭ Steve Schonning

MEMORANDUM - COUNCIL WORK SESSION

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: N/A

FROM: Meg Beekman, Community Development Director

SUBJECT: Opportunity Site Community Engagement Discussion

Background:

On July 9th, members of the City Council received a letter from ACER, signed by representatives from CAPI as well as the Lao Assistance Center, the Alliance for Metropolitan Stability, and the Minnesota African Coalition. The letter expressed dissatisfaction with the City's engagement process regarding the Opportunity Site master planning efforts and requested, among other things, a community benefits agreement and the utilization of the Equitable Development Principles and Scorecard to evaluate the master plan.

City staff have been meeting with representatives from CAPI and ACER, as well as other community stakeholders over the past several weeks and months to identify an appropriate community engagement process.

A successful community engagement process is one that has agreed upon outcomes, is authentic, in which the input is used in a genuine manner to better the outcomes of stakeholders. It also must have an appropriate and feasible timeline in order to allow projects to progress, as well as clearly define who the stakeholders and community are up front.

Initial discussions with identified community partners such as ACER, CAPI, and the Brooklyn Bridge Alliance suggested that the best way to create a set of shared expectations around these items would be through a memorandum of understanding (MOU). The concept initially was that the City would enter into individual contracts for service with community partner organizations to have them assist with the implementation of an agreed upon community engagement strategy, which would be outlined and identified via an MOU.

As conversations progressed, it became clear that gathering community stakeholders; partner organizations and individual residents, around the same table in the form of a steering committee work collaboratively towards co-creating a community engagement process with the City, assisting with its implementation, and providing input on the master plan and community benefits would be a more effective and equitable approach. This approach was discussed with the Council at their July 1 special work session, and the direction was to proceed.

Staff has since drafted a proposed Opportunity Site Steering Committee Charter, which is attached to this memo. It outlines the purposed, functions, membership, and timeline of how this steering committee might function.

Essentially, staff is proposing to invite willing community partners to form a coalition, which would be comprised of representation from communities within Brooklyn Center that are 1) most affected by the redevelopment project; and 2) communities which have historically been underrepresented in the development process. The initial community partners would suggest additional members who might be missing from the table and assist with enrolling individual residents who also represent these identified communities.

The primary functions of the steering committee would be to:

- Co-create and assist with implementing a community engagement plan
- Evaluate the master plan through an equity lens. The Equity Development Scorecard is one approach that the group could choose to use that would be introduced.
- Identify community benefits which can be incorporated into the master development agreement or into a community benefits agreement as an addendum to the master development agreement

Timeline

Identifying an agreed upon timeline for the completion of this work is critical for the successful progression of the development, and to reduce uncertainty. Staff is suggesting that the steering committee commence its work in August, and that the bulk of the community engagement activities take place in August through early November. Though additional engagement activities will be necessary beyond this point as more details are known about Phase I, this will allow the master plan and master development agreement work to proceed. The steering committee would wrap up its primary functions likely by February; however, once again, additional tasks may be identified as more clarity about the development phases become known.

Engagement Outcomes

Having an agreed upon framework within which engagement will be solicited and utilized is critical to a successful process. it is not reasonable or fair to ask community members to spend time providing input on elements of a project where their input cannot be full used. Rather, it is important to identify what elements of the agreement are within the scope of influence for the community.

Staff has provided examples of community benefits agreements from around the country, which are attached to this report. For the most part, in order to get to the level of detail required within these agreements, a master plan has already been developed and the community and developer are working through specifics related to a final development plan. Alternatively, community benefits can be in the form of value statements or recommendations, an example of this is the recommendations that came out of LISC's CDI workshop series that was done with the community earlier this year, which is also attached to this report. However, until a financial proforma and feasibility model is developed, which requires a fairly detailed development plan, there will not be enough data to allow informed decision making about specific community benefits that might be extracted as a result of the development.

That being said, as part of the creation of a steering committee it is reasonable to ask the community to provide input on the three primary functions listed above.

Process

Once the timeline and engagement outcomes are identified the question remains as to what the best process is to achieve the desired results. Staff is proposing the steering committee as the preferred process; however, once the group is formed, part of their work will include identifying a community engagement strategy within the framework set by the Council and assisting with its implementation. In this way, the process is co-created by the group itself and is therefore yet to be defined.

Staff would suggest that a good starting point for the community engagement work would be with the recommendations that came out of the LISC CDI workshop series. These form the basis of identified community benefits, and therefore identifying if there are values and benefits missing from this list, and checking in with and expanding upon this work might be a good beginning point for the steering committee. Once the list of community benefits is identified, determining priorities from among the list might be a next step for the steering committee.

Once the primary functions of the steering committee are complete, if there was an interest from the group, staff could see significant value in retaining them to provide oversight and input on other projects. Specifically,

the concept of a multi-cultural event and performing art center has come up numerous times as part of our conversations with the community. This steering committee could provide insight into what that might look like in a more definitive way.

Policy Issues:

- What is an appropriate and feasible timeline for the community engagement process?
- What are appropriate and feasible outcomes of the community engagement process? Is there a shared understanding of these outcomes?
- What is the best process to achieve the desired outcomes in the necessary time period?
- How is "community" defined, and what communities need to be part of the process? Who are the stakeholders who should be invited to the table?

Strategic Priorities and Values:

Inclusive Community Engagement

ATTACHMENTS:

Description	Upload Date	Type
Draft Opportunity Site Steering Committee Charter	7/15/2019	Backup Material
Draft Public Engagement Activities and Schedule	7/15/2019	Backup Material
Examples of Community Benefits Agreements	7/15/2019	Backup Material
LISC Workshop Series - Community Recommendations	7/15/2019	Backup Material

City of Brooklyn Center

Charter: Opportunity Site Community Steering Committee

Sponsor: Meg Beekman, Community Development Director

Rationale

The City of Brooklyn Center and its community partners have a common interest in helping to transform the Brooklyn Center Opportunity Site through a redevelopment plan that will provide benefits to communities within Brooklyn Center. The rationale for this steering committee is to provide a collaborative space for community partners, stakeholders, and those most affected by the project to assist the City with creating and evaluating a master plan and identifying community benefits.

Purpose

The Opportunity Steering Committee will advise city staff and the consultant team on the master planning efforts for the Opportunity Site. The Steering Committee will develop and assist with implementing a community engagement process which is equitable, and amplifies voices of those in the community which have been historically underrepresented in the development process. This Steering Committee will inform and guide the development and initial stages of implementation of the master plan, including providing input on the negotiation of a master development agreement and community benefits. It will also provide recommendations which assist the Planning Commission, which is the official recommending body to the City Council on matters related to the master plan, and the City Council in ultimately making the most informed decision. The Opportunity Steering Committee would not vote on the outcome, and group recommendations would be arrived at through consensus-based decision making. The City Council makes the final decision on the adoption and implementation of any plans or related agreements.

Objectives

The primary objective of this Steering Committee is to engage the community in meaningful and culturally appropriate ways and to inform and guide the City on the following elements of the redevelopment effort:

- The evaluation of the Opportunity Site Master Plan through an equity lens
- The identification of project values and community benefits to be included either within the master development agreement, or as an addendum in the form of a community benefits agreement

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- Review and respond to input received from engagement activities, including the Corridor Development Initiative workshops and other activities determined by the Steering Committee to be appropriate

Of particular interest is the understanding of community benefits that will be generated by the proposed Opportunity Site redevelopment project. While it is anticipated there will be significant benefits to the community in the form of increased tax base, housing options, and jobs, the City's role and direct participation in this project leads to greater expectations for public benefit. While these additional items are still being defined, they may include:

- Percentage of total new housing units that are affordable
- Income limits of proposed new affordable housing
- Presence and type of affordable commercial space for businesses
- Contractor hiring requirements for construction phase of project, including hiring disadvantaged business enterprises
- Ensuring a level of affordability of recreational attractions to city residents
- Financial contributions from the developer and/or through financial subsidies generated from the development towards meaningful community-based institutions, programs, or initiatives that benefit the community
- Other items as identified through the planning process

Steering Committee Membership

Steering Committee members will be selected with the goal of amplifying voices from the community of those most impacted by the redevelopment and of populations historically underrepresented in the development process. Steering Committee members will be a combination of project stakeholders, community-based organizations, and individual residents. Membership will include approximately 15 community members and agency representatives. Community organizations initially identified as possible Committee members are:

- African Career, Education & Resource (ACER)
- Centre for Asian and Pacific Islanders (CAPI)
- Liberian Business Association (LBA)
- Organization of Liberians in Minnesota (OLM)
- Brooklyn Bridge Alliance (BBA)
- Community Emergency Assistance Programs (CEAP)
- Brooklyn Center School District

Willing partners from the above list will identify what other organizations might be missing and which communities within Brooklyn Center need to be represented through individual members. These populations may include:

- Residents from west African communities
- Residents from the Latinx community

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- Residents from the African American/Black community
- Residents from the Hmong community
- Youth
- Renters

Other stakeholders in the development will also be represented within the Steering committee. This will include:

- City
- Developer
- Hennepin County
- Owner/operator of nearby rental property

Member Responsibilities

Members of the Steering Committee may be compensated for their participation. Compensation will be based on terms set by the City through a cooperative service agreement. The expectations for members include:

- Prepare for and actively participate in scheduled committee meetings
- Represent community issues and concerns which participants are aware of from their role in the community
- Co-create and contribute to the implementation of a community engagement process. This may include individual outreach to other community members to solicit input to inform the process, attendance at community events and meetings that include engagement efforts, and/or organizing listening sessions with community members
- Make presentations to the Planning Commission and City Council regarding the activities of the Steering Committee.

Time Commitment

- The meeting schedule and frequency will be determined by the Committee members, but meetings will likely be not less than monthly. Meetings will begin in September and are initially expected through February, though based on the development schedule may extend beyond that.
- The most significant community engagement efforts are anticipated to take place in September and October 2019.
- Additional time may be needed to review materials in advance of the meetings.
- Meeting times will be chosen based on the availability of members.
- Total time commitment is estimated to average 10-20 hours monthly for individual members during the months the committee meets. This number may be higher for agency representatives, based on negotiated terms of a separate contract.

Meeting Schedule

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While specific dates have not yet been chosen, there will be at least 4 meetings during a 2-3 month period. The purpose of the meetings will be discussed and shaped at the kickoff meeting, so future agendas and related assignments may be subject to change.

- Meeting #1: Kickoff, progress to date, overall format, and meeting schedule
- Meeting #2: Community stakeholders, interests, and perspectives. Introduction of the Equitable Development Scorecard as a tool to evaluate the project through an equity lens. Drafting of community engagement plan
- Meeting #3: Master plan alternatives, benefits, and key decision points
- Meeting #4: Group recommendations and direction for future actions

Meeting Agendas and Notes

- Committee members will receive the upcoming meeting agenda and materials no less than 1 week before the scheduled meeting.
- Meeting notes and follow-up materials will be distributed to Committee members via email within 1 week after meeting.

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Becoming Brooklyn Center:

Draft Phase II Public Engagement Schedule

March

- Project Initiation and Kickoff
- CDI Workshop: Gathering Information

April

- CDI Workshop: Block Exercise
- CDI Workshop: Developer Discussion
- Community Health Fair Pop Up: Blocks and Development Preferences
- Community Partner Outreach
- Project Fact Sheet and Website

May

- CDI Workshop: Framing Recommendations
- MAC Workshop: Prioritizing Recommendations
- Continue Community Partner Outreach

June

- City Council: LISC CDI Workshop Presentation of recommendations to Council
- Earle Brown Days Pop Up Community meeting: Priorities for Improvements
- Continue Community Partner Outreach
- Community Partners: Draft MOU for Engagement Support
- On-Site Signage Installation
- Initiate discussion with Women Venture and ACER regarding entrepreneur engagement and capacity building program

July

- City Council: Master Plan Presentation and MOU Review
- Saturday Market: Community Priorities for Improvements
- Community Partner Engagement Initiation
- Community Partner Stakeholder Recruitment

- Engagement activity series with Brooklynk interns

August

- National Night Out Pop Ups: Master Plan Concepts and Priorities for Improvements
- Board and Commission Updates
    - Planning Commission
    - Housing Commission
    - Multi-cultural Advisory Commission
    - Park and Recreation Commission
- Hire Community Engagement Intern
- Opportunity Site Steering Committee Meeting #1: Plan Overview and Goals
    - Introduction of members and topic
    - Project background and work to date
    - Goals, aspirations, and needs of the community
    - Introduction of Equity Scorecard
    - Co-creating community engagement plan

September

- Open streets event on John Martin Drive
- Public Open House #1 on Master Plan and other topics
- Sun Foods Farmer's Market Pop Up meeting
- CEAP Farmer's Market Pop up meeting
- Board and Commission Updates (Continued)
- Opportunity Site Steering Committee Meeting #2: Community stakeholders, interests, and perspectives
    - Choices and decisions
    - Priorities and focus areas for master plan
    - Priorities for community benefits
    - Drafting of community engagement plan

October-November

- Public Open House #2 on Master Plan/Other Topics
- City Council and Planning Commission Work Sessions to check-in on results of public engagement process
- Refine Master Plan based on community input
- Draft and refine Master Development Agreement to include community identified benefits
- Opportunity Site Steering Committee Meeting #3: Master Plan alternatives, benefits, and key decision points
    - Exploring project alternatives
    - Evaluation of Master Plan utilizing Equity Scorecard

    - Priorities for community benefits

December

- Opportunity Site Steering Committee Meeting #4: Group recommendations and direction for future actions
    - Presentation to Planning Commission and City Council

January

- Adoption of Master Plan

Beyond January

- Negotiate with developer on Master Development Agreement points
- Continue to refine negotiated items in master development agreement related to community benefits. Examples may include:
    - Percent of affordable commercial space
    - Mechanism to maintain and perpetuate affordable commercial space
    - Local and/or DBE contractor hiring percentages
    - Affordability bands for housing units
    - Other items to be determined through engagement process
- Adopt Phase I development plan
- Adopt Master development agreement

National Examples of Community Benefits Agreements (CBAs)

Source: The Partnership For Working Families
(proud supporter of the Union United coalition)

CBAs Currently in Effect

Kingsbridge Armory CBA (New York City): In April 2013, the Kingsbridge Armory Redevelopment Alliance (KARA), a broad-based coalition of community organizations, entered into a comprehensive CBA regarding the redevelopment of the Kingsbridge Armory, in the Northwest Bronx. The project, an ice sports center, will include nine hockey rinks, a 5,000-seat arena and a 50,000-square-foot community space. Shortly after announcement of the CBA, the developer who had entered into the agreement was selected by the City of New York to build the project. Under the CBA, the developer agreed to:

- a "wall to wall" living wage payment requirement, covering all workers within the project;
- a requirement that at least 25% of construction employees be targeted workers;
- a requirement that at least 51% of non-construction workers within the project be local workers, with first priority placement of underemployed residents of the immediate neighborhood;
- an $8,000,000 initial contribution, plus substantial ongoing contributions, to a coalition-controlled fund that may be used for specified community needs;
- a grant program for local businesses that employ large numbers of local workers;
- local contracting, M/WBE utilization, and local procurement requirements;
- extensive green building measures and community consultation on environmental issues;
- priority community access to the project's athletic facilities;
- and formal structures for community-based oversight and enforcement of CBA commitments.

As the first strong, community-driven CBA in New York City, the Kingsbridge Armory CBA is a major step forward for the community benefits movement.

Bayview-Hunters Point CBA (San Francisco, CA): In late May 2008, the San Francisco Labor Council, ACORN, and the San Francisco Organizing Project (SFOP) entered into a community benefits agreement regarding a major development project in the Bayview-Hunters Point neighborhood of San Francisco. Under the CBA, Lennar, a national housing developer, agreed that if the project moves forward, Lennar will:

- ensure that 32% of housing units built within the project are affordable, at a range of income levels;
- provide over $27 million in housing assistance funds targeted to neighborhood residents, including down payment assistance enabling additional units to be sold below market rates;
- provide over $8.5 million in job training funds targeted to neighborhood residents;
- ensure that all project employers participate in a state-of-the-art local hiring program; and
- ensure labor peace (i.e., card check / neutrality) in key industries within the project: grocery stores, hotels, and certain service contracts.

Since all of these benefits are contained in the CBA, they are legally binding and enforceable by the Labor Council, ACORN, and SFOP.

Hill District CBA (Pittsburgh, PA): In August 2008, Pittsburgh United joined with unions and several community groups in the Hill District neighborhood as the One Hill Coalition and recently entered into a CBA with the Sports and Exhibition Authority of Pittsburgh and Allegheny County, the County of

Allegheny, the City of Pittsburgh, the Urban Redevelopment Authority of Pittsburgh, and the developers and operators of the Pittsburgh Penguins' sports arena, an anticipated arena hotel and adjacent redevelopment projects.The CBA provides for the following community benefits:

- the establishment of a steering committee with representatives appointed by City officials and the Coalition to oversee the creation of a Master Plan for the Hill District with extensive community participation. In addition, the developers agreed to quarterly meetings with community members on the development and construction of the new arena.
- $1,000,000 from both the City and the developers toward the local governments' goal of securing a grocery store within the Hill District by the end of 2009.The local governments agreed to ensure that: (a) the grocery store operator uses the CareerLink/ the Hill District Resource Center to secure referrals of applicants that are Hill District residents for jobs created at the grocery store (b) the grocery store operator provides a range of healthful and affordable food and a full service pharmacy for Hill District residents; and (c) the grocery store is a full service grocery store that contains a minimum size of 25,000 square feet.
- creation and funding by the coalition and the local governments of a model first source referral center to provide or coordinate job preparation, counseling, training and supportive services, and to serve as a first source referral of qualified Hill District residents to employers connected with the project. The city and Allegheny County agreed to provide $150,000 a year for at least two years to start the program.
- targeted outreach to, and pre-bid meetings with and workshops for, local, minority and disadvantaged businesses related to business opportunities associated with the new arena.
- a formal review by the local government entities, under the oversight of the steering committee, of the services being provided to residents of the Hill District.
- the creation by the coalition and the developers of a Neighborhood Partnership Program (NPP), to be funded by the Pennsylvania Neighborhood Assistance Act, to address critical needs in the Hill District.
- assistance by the local governments and the coalition to the Pittsburgh YMCA in developing a multi-purpose center for youth, family and seniors in the Hill District community.

Gates Cherokee CBA (Denver, CO): In February of 2006, FRESC and the coalition members of the Campaign for Responsible Development secured a set of Community Benefit Achievements at the site of the former Gates Rubber Factory.These achievements were the result of more than three years of research, advocacy, organizing, leadership from the city and elected officials, and a process of dialogue with the private developer.

The redevelopment project, undertaken by developer Cherokee Investment Partners, is a 50+ acre, $1 billion brownfield located on a light rail transit line and at the intersection of I-25 and Broadway in central Denver.(A brownfield is an abandoned, idled, or underused industrial or commercial facility where expansion or redevelopment is complicated by real or perceived environmental contamination.)

Cherokee sought $126 million in public subsidies and taxing authority to support the clean-up and redevelopment of the site into a mixed-use, transit-oriented development that will include retail, offices, housing and open space.

The CRD took the position that any project receiving that magnitude of public support should meet principles of responsible development and provide community benefits.

Benefits include:

- landmark Affordable Housing Plan that not only exceeds the Inclusionary Housing Ordinance (IHO) in for-sale affordable units but also includes hundreds of affordable rental units targeting the income levels of Denver's greatest need.
- construction of 150 affordable, for-sale units out of 1,500 total for-sale units (10%).
- construction of 200 low-income rental units out of 1,000 (20%).
- a commitment to conform with state, federal, and local handicapped accessibility standards, ensuring that all housing units are accessible or accessible-convertible.
- a unique agreement that excludes low-road big-box grocery stores like Super Wal-Mart who undercut existing good jobs in the grocery industry through poverty wages/inadequate health care.
- cooperation and participation with the neighborhood coalition Voluntary Cleanup Advisory Board (VCAB) that is monitoring the cleanup and communicating cleanup issues to affected neighbors.
- an unprecedented agreement to pay prevailing wages and benefits for every construction worker engaged in the publicly-funded construction of site infrastructure and maintenance of public spaces and facilities.
- an unprecedented agreement to extend Denver's Living Wage Ordinance to include parking lot attendants and security personnel employed at the site's public facilities.
- an enhanced "First Source" local hiring system that promotes recruitment of local residents to fill new positions and, for the first time, prioritizes immediately adjacent low-income neighborhoods.

Denver's Office of Economic Development is now employing, for the first time, an explicit "public benefits framework" to outline the public financing package for this project.

LAX CBA (Los Angeles, CA): In December of 2004, a broad coalition of community-based organizations and labor unions in Los Angeles entered into the largest CBA to date, addressing the Los Angeles International Airport's $11 billion modernization plan. The CBA is a legally binding contract between the LAX Coalition for Economic, Environmental, and Educational Justice and the Los Angeles World Airports (LAWA), the governmental entity that operates LAX. The benefits obtained through this CBA campaign have been valued at half a billion dollars. The bulk of these benefits are set forth in the LAX CBA; the airport's commitments to two area school districts are set forth in side agreements that were negotiated as part of the Coalition's CBA campaign. The CBA has been hailed by both local policy-makers and the administrator of the Federal Aviation Administration as a model for future airport development nationally.

The wide range of benefits include:

- $15 million in job training funds for airport and aviation-related jobs;
- a local hiring program giving priority for LAX jobs to local residents and low-income and special needs individuals;
- funds for soundproofing affected schools and residences;
- retrofitting diesel construction vehicles and diesel vehicles operating on the tarmac, curbing dangerous air pollutants by up to 90%;
- electrifying airplane gates to eliminate pollution from jet engine idling;
- funds for studying the health impacts of airport operations on surrounding communities; and
- increased chances for local, minority, and women-owned businesses in the modernization of LAX.

The CBA has detailed monitoring and enforcement provisions, enabling Coalition members to ensure implementation of these benefits and to hold accountable the responsible parties.

Hollywood and Vine CBA (Los Angeles, CA): The famous corner of Hollywood and Vine in Los Angeles is the site of a landmark $326 million, mixed-use, transit-oriented development. In 2004, a broad coalition of neighborhood, environmental, labor and faith-based groups negotiated a CBA with developer Gatehouse Capital to help the project spark the revitalization of the surrounding community. Among other things, the developer agreed to:

- Strive to ensure that at least 70% of the on-site jobs pay a living wage
- Institute a first source hiring policy targeting local, low-income residents
- Provide $75,000 to job training programs
- Provide $15,000 to fund a health care access outreach program
- Include a union hotel
- Make 20% of the total rental apartment units affordable, with one-third affordable to households making 50% of the area median income (AMI), one-third affordable at 80% AMI, and one-third affordable at 120% AMI

CIM Project CBA (San Jose, CA): Working Partnerships USA (WPUSA) and a broad coalition of service employees' unions, building trades, small businesses, environmental advocates, neighborhood groups, and child care advocates obtained the following commitments in the 2003 amended development agreement for the $140 million multi-use CIM Project in San Jose. The project is receiving a subsidy of about $40 million from San Jose's redevelopment agency.

- living wages for employees of the development's parking garage;
- a project labor agreement for the construction of the project;
- increased affordable-housing requirements;
- guaranteed space in the development for small businesses, and a marketing program to make local small businesses aware of project opportunities;
- a commitment to work toward low-cost space for a child-care center;
- and a commitment to seek living wage jobs if a grocery store, department store, or hotel becomes part of the project.

Marlton Square CBA (Los Angeles, CA): In 2002, a coalition of community-based organizations entered into a CBA with the developer of the $123 million retail and housing Marlton Square redevelopment project in Los Angeles. The CBA included developer commitments to:

- dedicate space within the development for a community services facility, such as a community center, youth center, or job training center, according to needs determined through a community process;
- require employers in the development to hire through a first source hiring policy; and
- take specified steps to achieve a 70% living wage goal.
- The CBA was incorporated into the master agreement the developer signed with the city.

Staples Center CBA (Los Angeles, CA): In May of 2001, a broad coalition of labor and community-based organizations – the Figueroa Corridor Coalition for Economic Justice – negotiated a comprehensive CBA for the Los Angeles Sports and Entertainment District development, a large multipurpose project that will include a hotel, a 7,000-seat theater, a convention center expansion, a housing complex, and plazas for entertainment, restaurant, and retail businesses. Public subsidies for the project may run as high as $150

million. The CBA is usually referred to as the "Staples CBA" because the project is located adjacent to the Staples Center sports arena, which was developed by the same company.
The Staples CBA was a tremendous achievement in several respects. It includes an unprecedented array of community benefits, including:

- a developer-funded assessment of community park & recreation needs, and a $1 million commitment toward meeting those needs;
- a goal that 70% of the jobs created in the project will pay the City's living wage, and consultation with the coalition on selection of tenants;
- a first source hiring program targeting job opportunities to low-income individuals and those displaced by the project;
- increased affordable housing requirements in the housing component of the project, and a commitment of seed money for other affordable housing projects;
- developer funding for a residential parking program for surrounding neighborhoods; and
- standards for responsible contracting and leasing decisions by the developer.

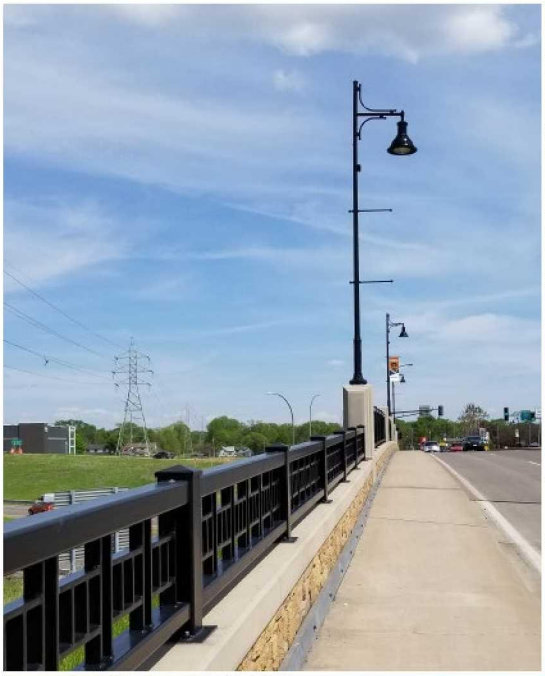
These many benefits reflect the very broad coalition that worked together to negotiate the CBA. The coalition, led in negotiations by Strategic Actions for a Just Economy, LAANE, and Coalition L.A., included over 30 different community groups and labor unions, plus hundreds of affected individuals. These successful negotiations demonstrate the power community groups possess when they work cooperatively and support each other's agendas.

Multi-Parcel Standards in Effect

Atlanta Beltline (Atlanta, GA): In 2005, Georgia Stand-UP succeeded in attaching community benefits language to a City ordinance authorizing almost $2 billion in public funding over a 20-year period for transit-oriented development. The Atlanta BeltLine project involves the development of a 22-mile light rail transit loop encircling the city. The $2.8 billion project is expected to take 25 years and will include transit-oriented design, including multi-use trails, as well as 1200 acres of green space, affordable housing, brownfield remediation, historic preservation, and public art. The 2005 city resolution that created the BeltLine Tax Allocation District (TAD) included several community benefits principles that will apply not to an individual project, but to every project within the Beltline redevelopment area. These include:

- Section 11- establishes the BeltLine Affordable Housing Trust Fund, created by setting aside 15% of the net proceeds of every TAD bond issued to develop 5,600 units of affordable housing
- Section 12- establishes an Economic Incentives Fund by setting aside a portion of each TAD bond issuance that will incentivize private development in targeted areas of the BeltLine that have historically experienced disinvestment, poverty and unemployment.
- Section 19- requires that all capital projects that receive TAD bond funding will have attached "certain community benefits principles, including but not limited to: prevailing wages for workers; a 'first source' hiring system to target job opportunities for residents of impacted low-income BeltLine neighborhoods; establishment and usage of apprenticeship and pre-apprenticeship programs for workers of impacted BeltLine neighborhoods." Additionally, "a more complete list of such principles and a community benefit policy shall be developed with community input and included within the agreements to be approved by City Council."

The Atlanta BeltLine project is an excellent example of how to apply CBA principles to large parcels of development, without losing the fundamental step of community involvement.







ALATUS / BROOKLYN CENTER
DEVELOPMENT GUIDELINES

Sponsored by:

ALATUS LLC

BROOKLYN CENTER AT THE CENTER



OVERVIEW

The former Brookdale Ford and Brookdale Square sites at Bass Lake Road and Shingle Creek are two key properties within a larger 81-acre area known as the Opportunity Site. This area has long been a key opportunity for the City of Brooklyn Center. The size of the site, central location, and easy freeway and trail access offers great potential in two important ways:

1.) To create a downtown center and signature destination that offers green space, is well maintained, and has appropriate amenities that will drive our future economic growth, and

2.) Serves the entire community that calls Brooklyn Center home, which is diverse, evolving, and entrepreneurial.

Previous studies and assessments (2002 Calthorpe Study, 2006 Damon Farber Associates' Master Plan, and the 2030 Comprehensive Plan Update) all point to the great potential of the site as a mixed use, walkable town center. Yet the vision has not been realized due to the fiscal challenges of site assembly and struggling market conditions during the Great Recession. In response, the City of Brooklyn Center's Economic Development Authority (EDA) began proactively acquiring property within the Opportunity Site in 2008. This includes the former Brookdale Ford site and former Brookdale Square site, as well as two other smaller parcels. In total the EDA has acquired approximately 35 acres of the total redevelopment area. In March 2018 the EDA entered into an agreement with Alatus, LLC to master develop the site.



Above: Existing conditions on the Opportunity Site.

As master developer for the Brookdale sites, Alatus is committed to building elements that will benefit the community. To achieve that goal they have partnered with the City of Brooklyn Center and LISC's Corridor Development Initiative to listen to and engage the community through a series of public workshops. These recommendations will inform Alatus and the City of Brooklyn Center as they refine their concepts for the site. The input gathered will also inform other development sites throughout the City of Brooklyn Center as they unfold.

In addition, the City is working with consultants Bolton & Menk, Cuningham Group, and KimbleCo to update the 2006 Master Plan and complete an implementation strategy in cooperation with Alatus.



Demographic Update:

WHO IS BROOKLYN CENTER TODAY?

Highlights of current Brooklyn Center demographic, economic, and housing stats include:

- Nearly 60% of Brooklyn Center residents are people of color or non-white
- Unlike the broader metro region, which is aging, Brooklyn Center's population grew younger between 2000 and 2010 (Median age is 32.8), and 40% of the households have children
- Brooklyn Center's median household income was $44,855 in 2015
- Brooklyn Center residents use transit at higher rates, and over 19% of residents are below the poverty level ($24,563 for a family of four in 2016)
- 21% of residents were born outside of the United States (highest percentage of foreign born residents in the Metro Area)
- Of the 11,603 housing units in Brooklyn Center, 37% are rental units (single family and multifamily residential)
- 71% of housing units are single-family, and 29% are multifamily (most of which was constructed in the 60s and 70s)
- 2019 median home values for Brooklyn Center are $198,000
- Average monthly rent in Brooklyn Center is $981 (2017)
- 93% of housing units are considered affordable, largely due to their age and condition. Only 5% of housing is publicly subsidized for long-term affordability
- Housing stock is fairly homogenous which results in lack of choice (e.g. most are less than 1,500 SF)
- The Metropolitan Council projects a demand of 2,258 new housing units in Brooklyn Center by 2040.



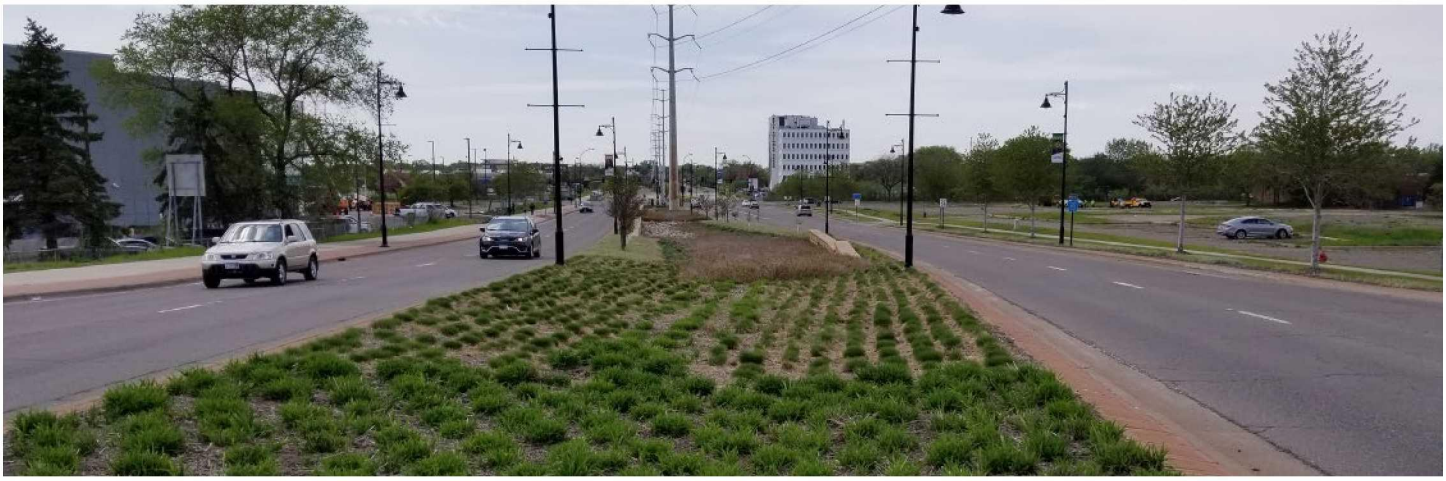
DESCRIPTION OF THE REDEVELOPMENT SITE:

The larger Opportunity Site Study Area – approx. 81 acres – is located north of Bass Lake Road, east of Shingle Creek Parkway, south of Summit Drive and west of State Highway 100. Within the larger site lies the 35 acre city-owned redevelopment site, currently assigned to Alatus LLC who will serve as Master Developer, bordered by Shingle Creek Parkway, Bass Lake Road, and John Martin Drive.

The City's vision for the site is to be an inviting, attractive, walkable, mixed use and vibrant downtown which:

- **Provides for a variety of housing types to assist with the diversifying the City's housing stock,**
- **Produces places for people to gather together and recreate,**
- **Leverages nearby amenities,**
- **Allows local businesses to thrive, and**
- **Benefits existing and future residents**

Alatus is excited about the potential of the redevelopment site, and intends to make it a distinctive and loved location. With multiple job opportunities in the area, new housing options will allow people to live near their jobs. Who would have imagined that Topgolf would be the success that it is? But it would benefit from a walkable area that is connected and vibrant. Housing will likely be the driver of the development, and will include smaller retail spaces for local businesses – a great way to support emerging entrepreneurs from the community's diverse cultural backgrounds. Alatus is working closely with the City, Hennepin County, Three Rivers Park District, Metro Transit, MnDOT, and the Metropolitan Council to deliver on what the community wants. Their objective is to leave a legacy for the community.



DEVELOPMENT GUIDELINE RECOMMENDATIONS

Four guiding principles emerged from the community workshops that reinforce a sense of community pride in Brooklyn Center:

- **Embrace the growing diversity of the community**
- **Produce places that bring the community together**
- **Create a vibrant and distinctive destination for the community and the region**
- **Consider sustainability in the design of the development (Emergy)**

These principles are incorporated into these areas of investment:

I. Economic Vitality

A. The growing diversity of the community is a strength that should be nurtured through culturally focused businesses and ethnic cuisine, retail, and services.

B. Consider a co-working and/or business incubator space similar to the Midtown Global Market to support local entrepreneurs and small businesses.

C. Prioritize spaces for local businesses over national retail chains.

D. Build an entertainment district that enhances other surrounding uses, such as Topgolf entertainment complex (e.g. sports themed).

E. Explore options for arts related spaces, such as theater, music, movies, dance, etc. (entertainment uses that will do well in the market or fill an existing gap).

F. Prioritize businesses that provide living wage jobs.

G. Thrift stores and reuse centers.

H. Cooperative food stores or grocery stores.

I. Create things for people to do (e.g. theaters, nightlife, restaurants, bowling, etc.).

J. Consider a downtown main street (e.g. Excelsior and Grand in St. Louis Park).

K. Consider a campus for health related businesses and services.

L. Event center with lodging that is youth friendly/sports complex.

M. Regional destination for entertainment.

N. Consider a corporate campus or prestigious office space.

O. Embrace a green footprint and green economy (e.g. solar, green energy)







Above: Existing land-uses near the Opportunity Site.

II. Housing

A. Increase the opportunity for people to live and work in the area.

B. Include housing options that support a range of household incomes and sizes, and are accessible

C. Consider live/work space.

D. Provide a mix of ownership and rental housing options.

E. Include higher-end rental housing products geared to young urban professionals (potential to be future long term residents).

F. Promote quality craftsmanship and design that enlists unique architectural styles and sustainable and recyclable materials.

G. Consider affordable and market rate senior and accessible housing.

H. Work to ensure well-managed and maintained multifamily housing.

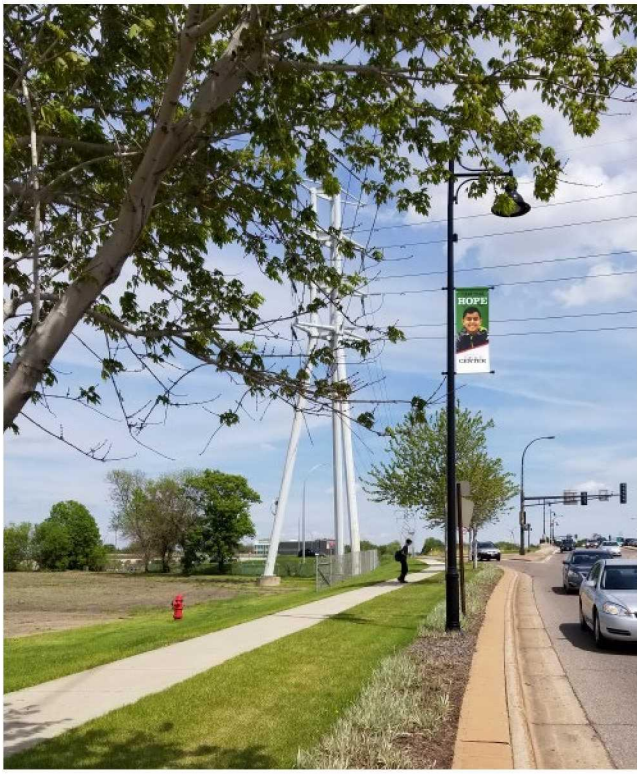
I. Consider townhomes or condominiums for affordable homeownership options.

J. Greater housing density should be encouraged on the site

K. Proactively address the concerns over gentrification by anticipating and planning to prevent it.

L. Address housing for veterans and homeless.





Above: Existing transit & landscaping near the Opportunity Site.

III. Public Spaces and Connections

A. Consider spaces for youth and young families, such as community centers.

B. Create a multicultural center that could be used for events, classes and training, celebrations, and other activities.

C. Consider education-focused elements (i.e. trade schools, higher education, schools, daycares, etc.)

D. A downtown center that serves as a center of gravity for the City of Brooklyn Center.

E. Gathering places with outdoor seating, places for children and family reunions, open air market, and multi-purpose area.

F. Connect trail systems to encourage multi-modal access (including pedestrians, bikes, mechanized vehicles, etc.) and create a flow to the district.

G. Utilize landscaping and streetscape amenities to create stronger pedestrian and bike district.

H. Civic center (e.g. recreation center, fun zone, skate-park, bowling alley, etc.).

I. Improve transit areas to safer, pedestrian friendly, and desirable to use.

J. Add green space, landscaping, or pocket parks to soften the built environment.

K. Consider a hotel and indoor aquatic park for children and families.

L. Create a botanical garden as a way of generating revenue for green space.

M. A dog park.



Meg Beekman
City of Brooklyn Center
763-569-3305
mbeekman@ci.brooklyn-center.mn.us

MEMORANDUM - COUNCIL WORK SESSION

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: Meg Beekman, Community Development Director

FROM: Brett Angell, Business and Workforce Development Specialist

SUBJECT: Discussion on Selecting a Proposal to Build a Residential Home on EDA-Owned Property Located at 5355 Emerson Ave N

Recommendation:

- It is recommended that the Economic Development Authority consider proposals to develop an EDA-owned property located at 5355 Emerson Ave N and select a proposal for the construction of a residence on the property.

Background:

At the October 8th, 2018 Economic Development Authority meeting, the EDA approved the acquisition of 5355 Emerson Avenue North from Hennepin County Tax Forfeited Lands. At the time of acquisition, the intent was to combine the parcel with 5357 Emerson Avenue North, which the EDA acquired in August of 2016. Each parcel alone does not currently meet the lot size requirements for a single-family home in the R-2 zoning district. In order to meet current City standards to make it a buildable site, the lots would be required to be combined.

Staff worked directly with Carlson McCain to replat the properties combining them into one lot. The combined lot meets all standards required for lot size and has a total acreage of 0.25. The preliminary and final plat was brought before the City Council and unanimously recommended for approval at the July 22nd meeting. Staff are currently working to have the final plat recorded with Hennepin County.

With the lots combined, the property can now have a single-family residence built on the lot. The City released a Request for Proposals (RFP) soliciting offers for the lot to be developed. The RFP was sent directly to over 15 local builders or local residents who have previously expressed interest in the property. Requirements for the proposals included the proposed purchase price for the land with a minimum purchase price being $30,000, home details (i.e. number of bedrooms, bathrooms, garage spaces, etc.), and architectural renderings of the proposed home. The proposal required that any home to be built would be for the construction of an owner-occupied residence and not a rental property. The City received a total of four bids for the property, three of which met the requirements of the RFP.

The first proposal that was received was from Novak-Fleck. This proposal listed a proposed purchase price of the land as $45,000 for the construction of a 1,204 square foot split-level home with three bedrooms and two bathrooms. The home would feature a stone, vinyl shake, and vinyl siding facade. The proposed home would also include a two-car attached garage. Novak-Fleck has been active within the City of Brooklyn Center and has built many infill homes within the City. The anticipated sale price of the home would be approximately $290,000.

The second proposal received was from Tollberg Homes, based out of Anoka. This proposal included a

proposed purchase price of $40,000 for the construction of a 2,250 square foot split-level home with five bedrooms and three bathrooms. The proposal includes an attached three car garage. The home would feature a cultured stone, vinyl shake and vinyl siding facade. Tollberg Homes has worked extensively with surrounding communities, including Crystal, on infill home development. The anticipated sale price for this home would be approximately $320,000.

The third proposal is from Lennie Chism, who will be working directly with a builder who specializes in the construction of shipping container homes. Mr. Chism is proposing to build a 3,500 square foot home with five bedrooms and four bathrooms with a detached three and a half car garage that would be accessed off of the alleyway. The proposed purchase price for the property is $31,000. The proposal would be to build the home out of approximately 8-10 metal shipping containers. The detached garage would be constructed out of three additional containers. Mr. Chism has intentions to be the owner and occupier of the home if this proposal is selected.

The fourth proposal does not meet the requirements of the RFP regarding the minimum purchase price and the requirement for the property to be owner occupied. The proposal is from BATC - Housing First Minnesota Foundation, Minnesota Assistance Council for Veterans (MACV), and Lennar Homes Minnesota which sought to construct a 2,500 square foot home with four bedrooms and three bathrooms. The home would be a part of the "Home for Heroes" program which builds transitional housing residences for veterans who are experiencing homelessness. The Homes for Heroes program currently has three properties within the Twin Cities metropolitan area. Since this proposal does not meet the requirements of the RFP, it is not eligible for development of this lot. However, this program could be beneficial for the EDA to discuss further for other potential lots within the City. Further discussion regarding the Homes for Heroes program will occur at a future worksession

Upon selection of a proposal for the development of property, staff will work directly with the selected developer on a purchase agreement for the property based on the proposed purchase price in the RFP. The purchase agreement will be brought forward to a future EDA meeting for a public hearing and consideration. The selected developer will have one year from the closing date to substantially complete the construction of the residence.

Policy Issues:

- Which proposal should be selected for the development of EDA-owned property located at 5355 and 5357 Emerson Ave N?

Strategic Priorities and Values:

Targeted Redevelopment

ATTACHMENTS:

Description	Upload Date	Type
Request for Proposals	8/5/2019	Backup Material
Novak-Fleck Proposal	8/5/2019	Backup Material
Tollberg Homes Proposal	8/5/2019	Backup Material
Lennie Chism Proposal	8/5/2019	Backup Material

Request for Proposals (RFP)

Single Family Home Lot

5355 Emerson Ave N

Opening Date: July 11th, 2019

Due Date: July 31st, 2019 by 4:30 P.M.

COMMUNITY PROFILE

The City of Brooklyn Center, Minnesota is a first-ring community seeing an increased development interest due to the proximity to the urban core, land prices, access within the region and numerous community amenities. The City of Brooklyn Center is one of the youngest and most diverse communities in the Twin Cities Metropolitan Region and experiencing increased demand in housing which accommodates new and growing families. The continued private and public investment into the community has set-up Brooklyn Center to be a thriving community for years to come.

The Economic Development Authority of Brooklyn Center seeks to acquire blighted or vacant residential parcels within the existing neighborhoods to allow for the redevelopment of these parcels into new single family residential homes. The new homes provide additional new construction options within established single-family residential neighborhoods where many of the homes were built during the 1950s or 1960s.

PROPOSAL GUIDELINES

This request for proposals (RFP) is designed to sell a residential lot for the construction of a new single family residential home. The Economic Development Authority of Brooklyn Center (EDA) is authorized to work with and sell properties for redevelopment purposes. All proposals received by the deadline of July 31st, 2019 will be reviewed by the EDA at the August 12th, 2019 EDA meeting. The preferred proposal will be selected at that date. Upon selection of the preferred proposal, City staff will work with selected party to prepare a purchase agreement and receive the necessary building permit approvals for the construction of the residence.

All proposals for the property should include the following:

- Applicants name and contact information
- Builders name and contact information (if different)
- Brief narrative describing the builders experience
- Proposed purchase price for the land
- Home details (i.e. number of bedrooms, bathrooms, garage spaces, etc.)
- Architectural renderings of the proposed home

LOT DETAILS

5355 Emerson Avenue North is a 0.25 acre (10,755 square feet) parcel of land located in the southeast quarter of the City of Brooklyn Center. This property was formerly two parcels which were acquired by the EDA of Brooklyn Center between 2016 and 2018 that is currently in the process of being re-platted into one parcel by the City.

Additional information regarding the lot includes:

- Lot Width: 83.46 feet

- Lot Depth: 128.28 feet
- Zoning: R2 One and Two Family Residence
- Land Use Guidance: Low-Density Residential
- Access: One existing curb-cut on Emerson Ave; access to alleyway at the rear of the property
- School District: ISD 286 Brooklyn Center Community Schools

Property Setbacks:

- Front: 35 feet
- Rear: 10 feet
- Side (garage): 10 feet
- Side (house): 10 feet
- Side (corner): 25 feet

SUBMISSION DETAILS

To submit a proposal for the property, please email completed application and any necessary attachments to bangell@ci.brooklyn-center.mn.us or mail/drop-off materials to:

City of Brooklyn Center
Attn: Brett Angell
6301 Shingle Creek Parkway
Brooklyn Center, MN 55430

Proposals must be received by 4:30 P.M. on July 31st to be considered.

ADDITIONAL INFORMATION

Thank you for your interest in developing housing in the City of Brooklyn Center. For more information or any questions regarding this RFP, please contact Brett Angell, Business and Workforce Development Specialist at (763)569-3301 or bangell@ci.brooklyn-center.mn.us

FAQs

Is the lot price negotiable?
A minimum lot price has been established. Proposals must be at or above the base price listed on the proposal application form.

How does the EDA handle multiple proposal situations?
Staff will review all of proposals received for the development of the single family lot with the EDA. The EDA will selected the preferred option based on review of all of the proposals. The EDA will specifically evaluate the proposed home to be built and sale price for the lot.

Has the lot been surveyed?
The lot has been re-platted to combine two previous parcels into the current parcel. The preliminary or final plat or the property is available upon request.

What is the condition of the property?
The lot is currently free from any structures. The previous structures were demolished at or before the time of acquisition by the EDA of Brooklyn Center. Each lot is sold "as-is". The applicant is responsible to perform all necessary improvements to the lot at its own cost.

Are utilities available to the property?
Connections to City sewer and water are available for the property.

How much time do I have to complete construction?
After purchasing the lot, construction should begin within a reasonable time period and must be completed within one year of closing on the property.

Can a new home become a rental property?
No, all lots purchased from the EDA of Brooklyn Center must be developed to be owner-occupied. Each conveyance is subject to a deed restriction requiring owner occupancy. Specific terms regarding this restriction would be created in the Purchase and Redevelopment Agreement.

CITY OF BROOKLYN CENTER
5355 EMERSON AVE REQUEST FOR PROPOSALS
APPLICATION FORM

Applicant's Information

Name: _____

Address: _____

Email:_____

Phone Number: _____

Builder's Information

Company Name:_____

Contact Person: _____

Address: _____

Email:_____

Phone Number: _____

Proposed Home Information

Total Square Footage: _____sq. ft. Number of Bedrooms: _____

Number of Bathrooms: _____

Number of Enclosed Garage Spaces: _____

Garage Details (check applicable): _____Attached _____Detached

Proposed Purchase Price

$_____ (*price must be at or above $30,000*)

This proposal is not a purchase agreement or other binding contract. This form is a proposal to purchase the lot and build a new single family house in accordance with the RFP guidelines. If the proposal is tentatively accepted by the EDA, then EDA staff will work with the applicant or builder to complete a purchase agreement.

Required Attachments

1. Attach one or more representative example(s) of a house you would plan to build on this lot if your proposal is selected. It does not need to show exactly how it would be placed on the lot, it just needs to show the approximate size, materials, quality and features that you would anticipate the new home would have on this lot.

Optional Attachments

1. Brief narrative regarding the interest in the site and/or qualifications of the builder.

Specifications and Guidelines

1. Deadline for Completion: construction of the new home must be completed within one year of the date of closing for the sale of the property.
2. Grading and Drainage: Drainage from the house, garage, driveway and/or any other structure shall be accommodated on the site so that water flow onto adjacent properties is minimized.
3. Erosion/Runoff: Builder will follow Best Management Practices to minimize erosion and runoff during construction.
4. Driveways: a hard-surfaces impervious driveway is required to provide access from the street or alley to the new houses garage.
5. General Construction Practices: the construction site, neighboring property, and adjacent public streets shall be kept free of construction debris at all times, and builder must have a construction dumpster to prevent debris from being scattered or blown around.
6. Building Standards: the home shall comply with the Brooklyn Center City Code and State of Minnesota Building Code.
7. Landscaping: The lot shall be landscaped to be aesthetically pleasing in all seasons and meet or exceed the landscaping requirements within the City Code.
8. Escrows: if determined by the Building Official, an escrow for landscaping or other improvements may be required.

_____ _____

Applicant Signature Date

_____ _____

Builder Signature (if different) Date

CITY OF BROOKLYN CENTER
5355 EMERSON AVE REQUEST FOR PROPOSALS
APPLICATION FORM

Applicant's Information

Name: Novak-Fleck, Incorporated

Address: 8857 Zealand Avenue N. Brooklyn Park MN 55445

Email: cjohnson@novak-fleck.com

Phone Number: (763) 424-4955

Builder's Information

Company Name: Novak-Fleck, Incorporated

Contact Person: Candi Johnson

Address: 8857 Zealand Avenue N. Brooklyn Park MN 55445

Email: cjohnson@novak-fleck.com

Phone Number: (763) 424-4955

Proposed Home Information

Total Square Footage: 1204 sq. ft. Number of Bedrooms: 3

Number of Bathrooms: 2

Number of Enclosed Garage Spaces: 2

Garage Details (check applicable): X Attached _____ Detached

Proposed Purchase Price

$ 45,000.00 *(price must be at or above $30,000)*

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Required Attachments

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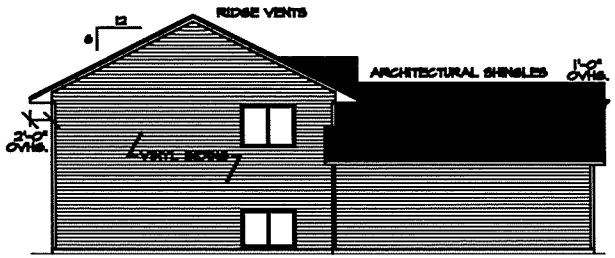
8. Escrows: if determined by the Building Official, an escrow for landscaping or other improvements may be required.

Cardi Johnson — Applicant Signature

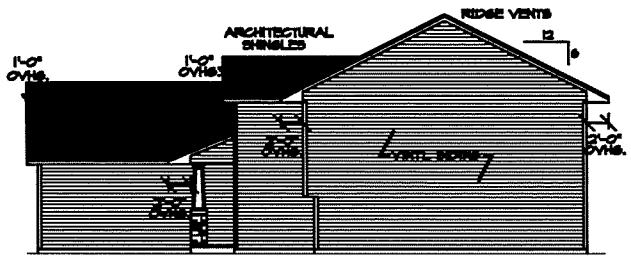
7/16/2019 — Date

Cardi Johnson — Builder Signature (if different)

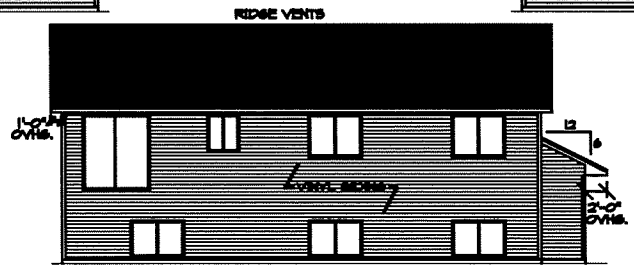
7/16/2019 — Date



LEFT ELEVATION
SCALE: 1/8"=1'-0"



RIGHT ELEVATION
SCALE: 1/8"=1'-0"



REAR ELEVATION
SCALE: 1/8"=1'-0"

5355 Emerson Ave N
Brooklyn Center

*Flip plan - Garage will be Right



FRONT ELEVATION
SCALE: 1/4"=1'-0"

NF
NOTE:
-DUE TO ELECTRONIC REPRODUCTION, THIS PLAN MAY NOT SCALE CORRECTLY. THE HOUSE WILL BE BUILT ACCORDING TO THE DIMENSIONS SPECIFIED.
-ALL DIMENSIONS, CONDITIONS AND SPECIFICATIONS ARE SUBJECT TO FIELD VERIFICATION. SOME CHANGES MAY BE NECESSARY.
-ALL ELECTRICAL SYMBOLS SHOWN ARE APPROXIMATE. ACTUAL PLACEMENT WILL BE DETERMINED BY THE ELECTRICIAN PER CODE REQUIREMENTS.
-ALL SQUARE FOOTAGES ARE DEEMED RELIABLE BUT NOT GUARANTEED
-AIRTIGHT BOXES ON EXTERIOR WALLS. (CATEGORY ONE)
-CAULK & FLASH ALL EXTERIOR OPENINGS.

WINDOW GUIDE

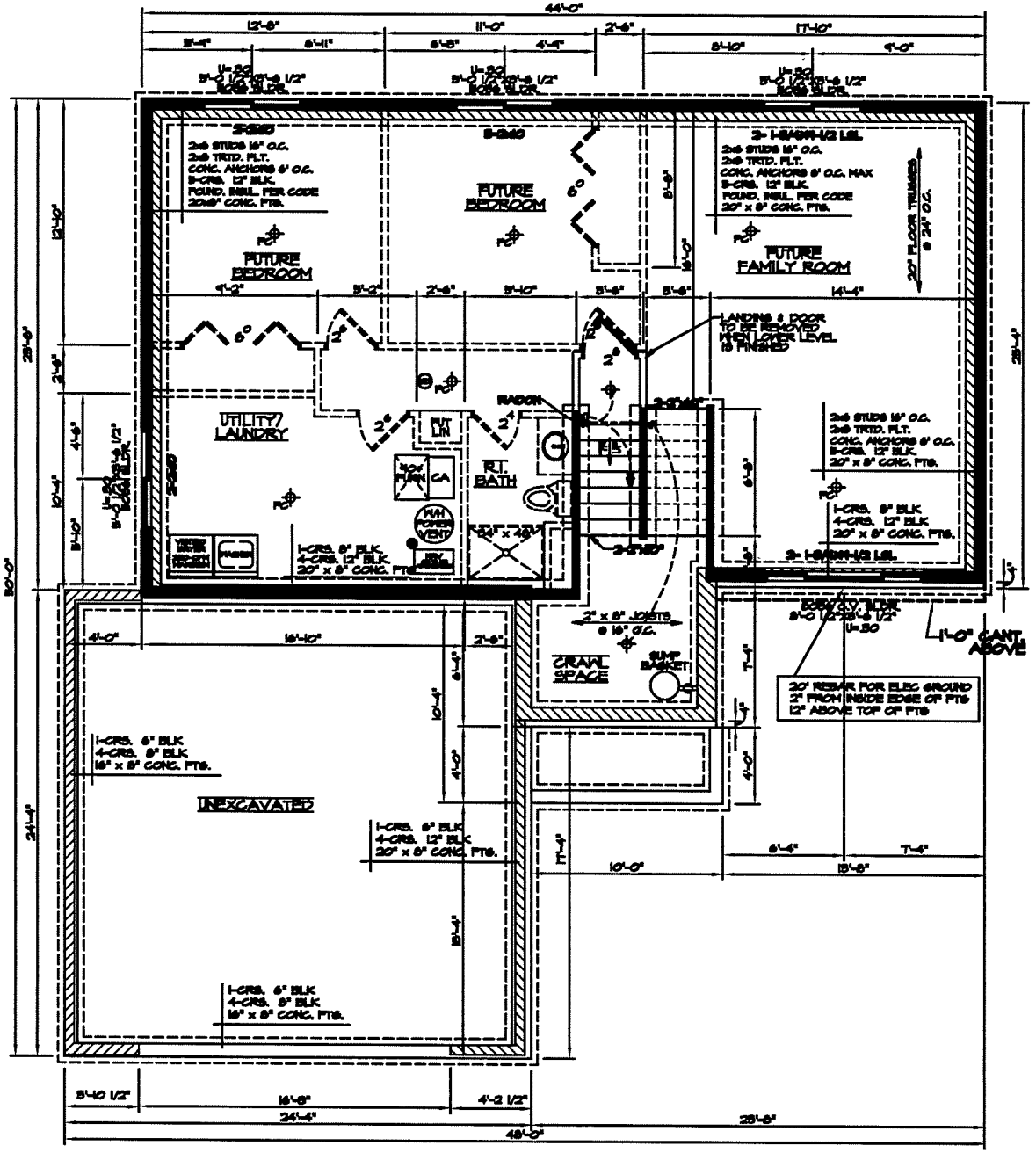
PLAN REVIEW/DATE

BUYER/DATE

BUYER/DATE

WOODRIDGE
FIRST FLOOR= 1209.44
FINISHED= 1209.44
SECOND FLOOR=
FINISHED=
LOWER LEVEL= 1145.44
FINISHED= 00.00
TOTAL FINISHED SQ. FTS. 1209.44
Spec
5355 Emerson Ave

CopyWrite®



LOWER LEVEL FLOOR PLAN

SCALE: 1/4"=1'-0"

NOTE:
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WINDOW GUIDE

PLAN REVIEW/DATE

BUYER/DATE

BUYER/DATE

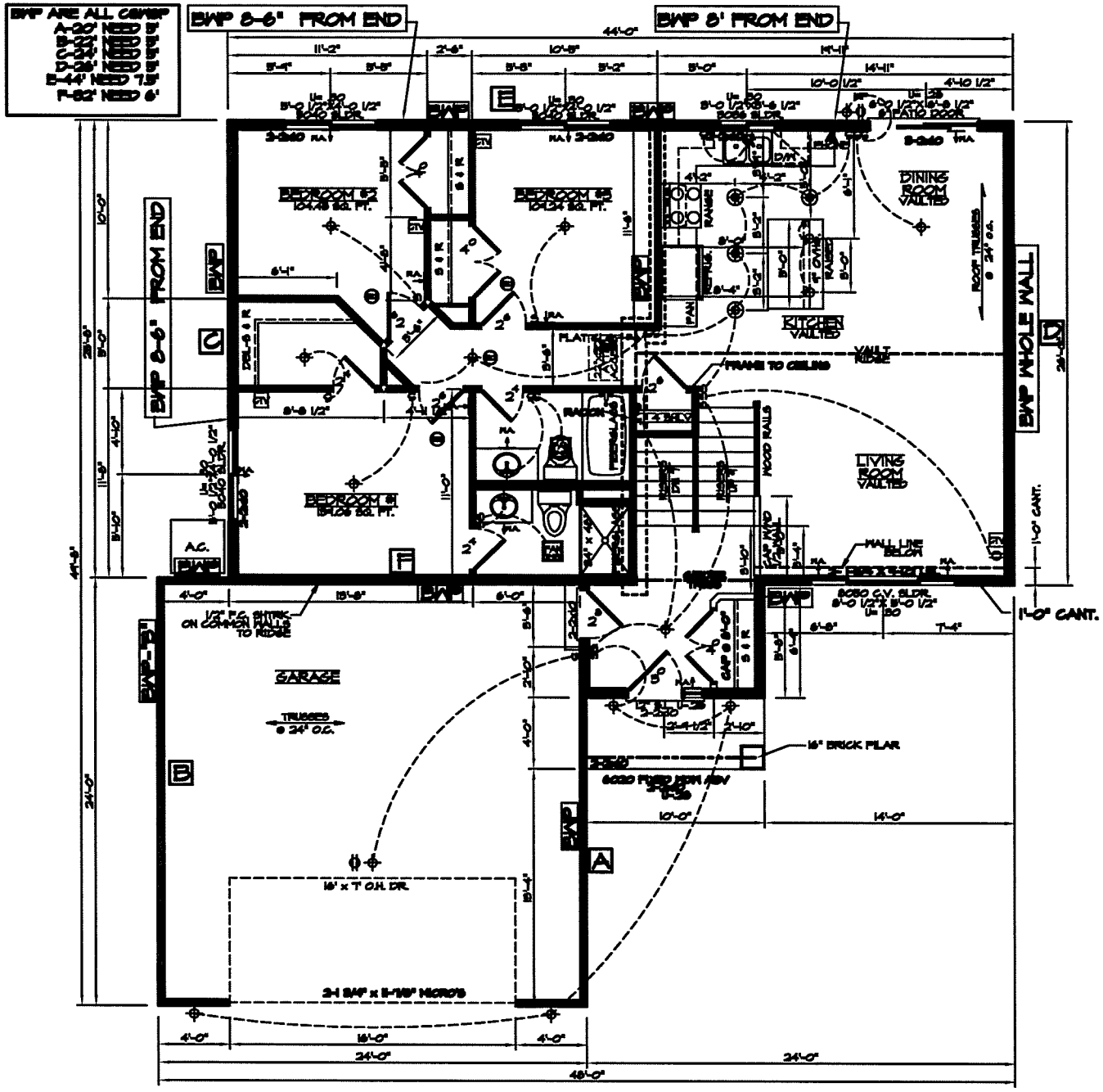
WOODRIDGE

FIRST FLOOR= 1209.44
FINISHED= 1209.44
SECOND FLOOR=
FINISHED=
LOWER LEVEL= 1148.44
FINISHED= 60.00

TOTAL FINISHED SQ. FTG. 1209.44

Spec
5355 Emerson Ave

CopyWrite®



MAIN LEVEL FLOOR PLAN

SCALE: 1/4"=1'-0"

NOTE:
-DUE TO ELECTRONIC REPRODUCTION, THIS PLAN MAY NOT SCALE CORRECTLY. THE HOUSE WILL BE BUILT ACCORDING TO THE DIMENSIONS SPECIFIED.
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-ALL SQUARE FOOTAGES ARE DEEMED RELIABLE BUT NOT GUARANTEED
-AIRTIGHT BOXES ON EXTERIOR WALLS. (CATEGORY ONE)
-CAULK & FLASH ALL EXTERIOR OPENINGS.

WINDOW GUIDE

PLAN REVIEW/DATE

BUYER/DATE

BUYER/DATE

WOODRIDGE

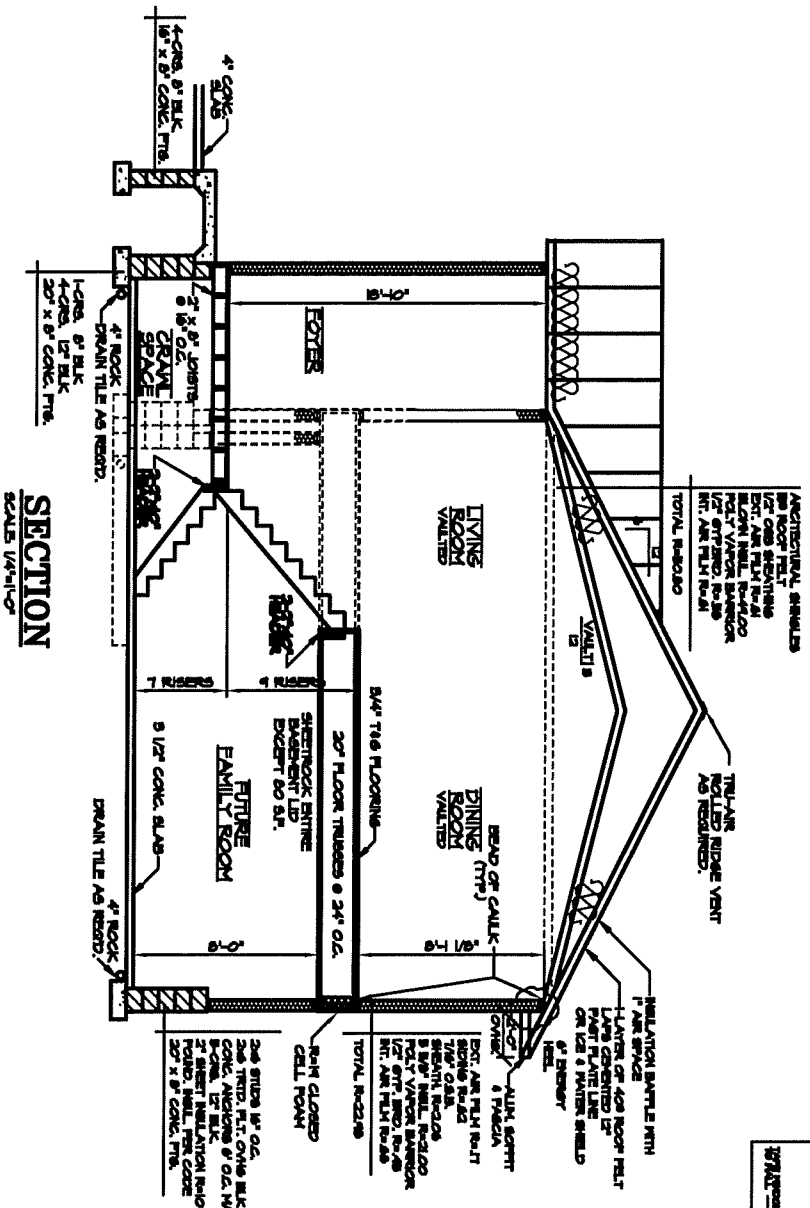
FIRST FLOOR= 1209.44
FINISHED= 1209.44
SECOND FLOOR=
FINISHED=
LOWER LEVEL= 1148.44
FINISHED= 00.00

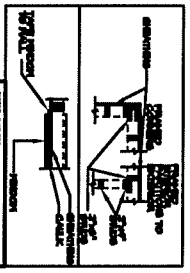
TOTAL FINISHED SQ. FTG. 1209.44

Spec
5355 Emerson Ave

CopyWrite®

CopyWrite®





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-CAULK & FLASH ALL EXTERIOR OPENINGS.

WOODRIDGE

CITY OF BROOKLYN CENTER
5355 EMERSON AVE REQUEST FOR PROPOSALS
APPLICATION FORM

Applicant's Information

Name: Tollberg Homes, LLC

Address: 1428 - 5th Ave. S. Anoka, MN 55303

Email: wade@tollberghomes.com

Phone Number: 612-804-9988

Builder's Information

Company Name: _____

Contact Person: SAME

Address: _____

Email: _____

Phone Number: _____

Proposed Home Information

Total Square Footage: 2250 sq. ft. Number of Bedrooms: 5

Number of Bathrooms: 3

Number of Enclosed Garage Spaces: 3

Garage Details (check applicable): X Attached _____ Detached

Proposed Purchase Price

$ 40,000 OR (*price must be at or above $30,000*)

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Required Attachments

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6. Building Standards: the home shall comply with the Brooklyn Center City Code and State of Minnesota Building Code.
7. Landscaping: The lot shall be landscaped to be aesthetically pleasing in all seasons and meet or exceed the landscaping requirements within the City Code.
8. Escrows: if determined by the Building Official, an escrow for landscaping or other improvements may be required.

Applicant Signature	Date 7/23/19
Builder Signature (if different)	Date

TOLLBERG Homes

1428 5th Ave | Anoka, MN 55304
p: 763-205-2037|f: 763-421-5616 | www.tollberghomes.com

July 23, 2019

City of Brooklyn Center EDA
Attn: Brett Angell
5355 Emerson Ave. N.
Brooklyn Center, MN 55430

Dear Mr. Angell,

Please accept our application to purchase the lot located at 5355 Emerson Ave. N. from the City of Brooklyn Center. Tollberg Homes would be prepared to purchase and close this lots as soon as it is available to do so and would begin construction immediately.

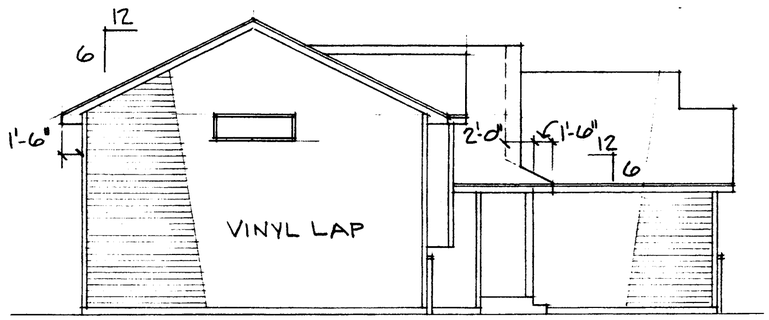
Tollberg Homes, LLC is a local builder out of Anoka that builds single family homes in a variety of communities and price ranges. We build in the Twin Cities as well as in Western North Dakota and we expect to construct about 50 homes annually. Our recent awards include the 2014 People's Choice Award in Bismarck and BATC Reggie Award in 2015. We were also recognized as a top 25 builder in MN for 2016 and 2018. Current MN communities that we are active in include Lino Lakes, Crystal, Edina, Stillwater, Golden Valley and Coon Rapids. We have the financial strength to purchase the lot and complete the construction. A commitment letter is attached to this proposal. We have a very successful history purchasing lots from multiple city EDA's.

Tollberg Homes has significant experience building in first ring suburbs and in-fill lots. In addition to the 10 lots we have purchased from the city Crystal over the past three years, we have also built multiple homes purchased from city EDA's in Anoka, Columbia Heights, Coon Rapids, and Fridley. Our clients who bought these homes have been appreciative of the quality and value delivered by Tollberg Homes. Our warranty also exceeds industry standard as we perform a 4 week and 1 year walk through with all of our clients after closing to address any concerns.

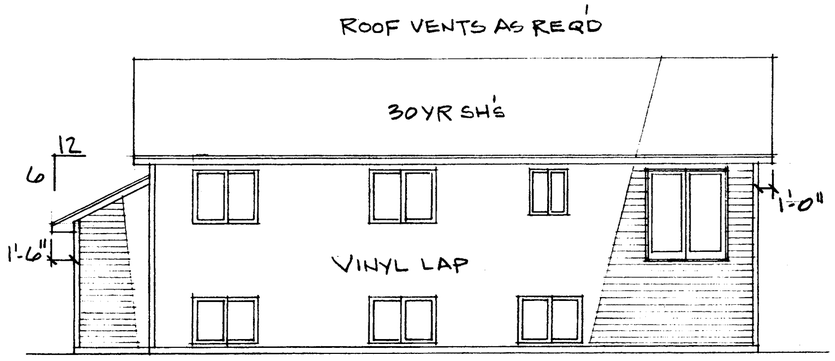
We thank you for your consideration for this lot. Building new homes in existing neighborhoods can be a challenging experience. We hope that our track record in is proof that we can work well with City staff, be respectful of neighboring homeowners, and also deliver a product that enhances your community. We look forward to your response.

Very truly yours,

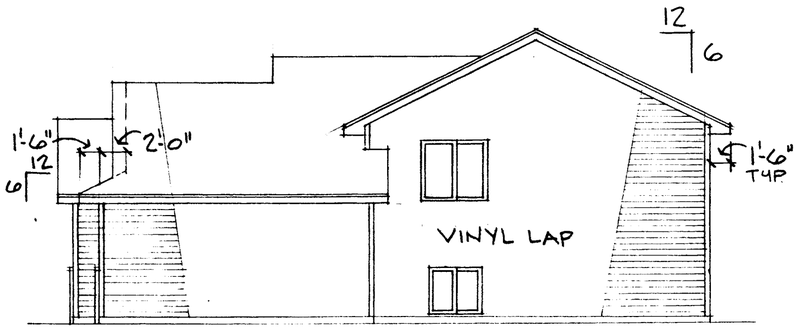
Wade Tollefson
Chief Executive Officer
Tollberg Homes
Cell: 612-804-9988



LEFT ELEV
SC: 1/8"=1'-0"

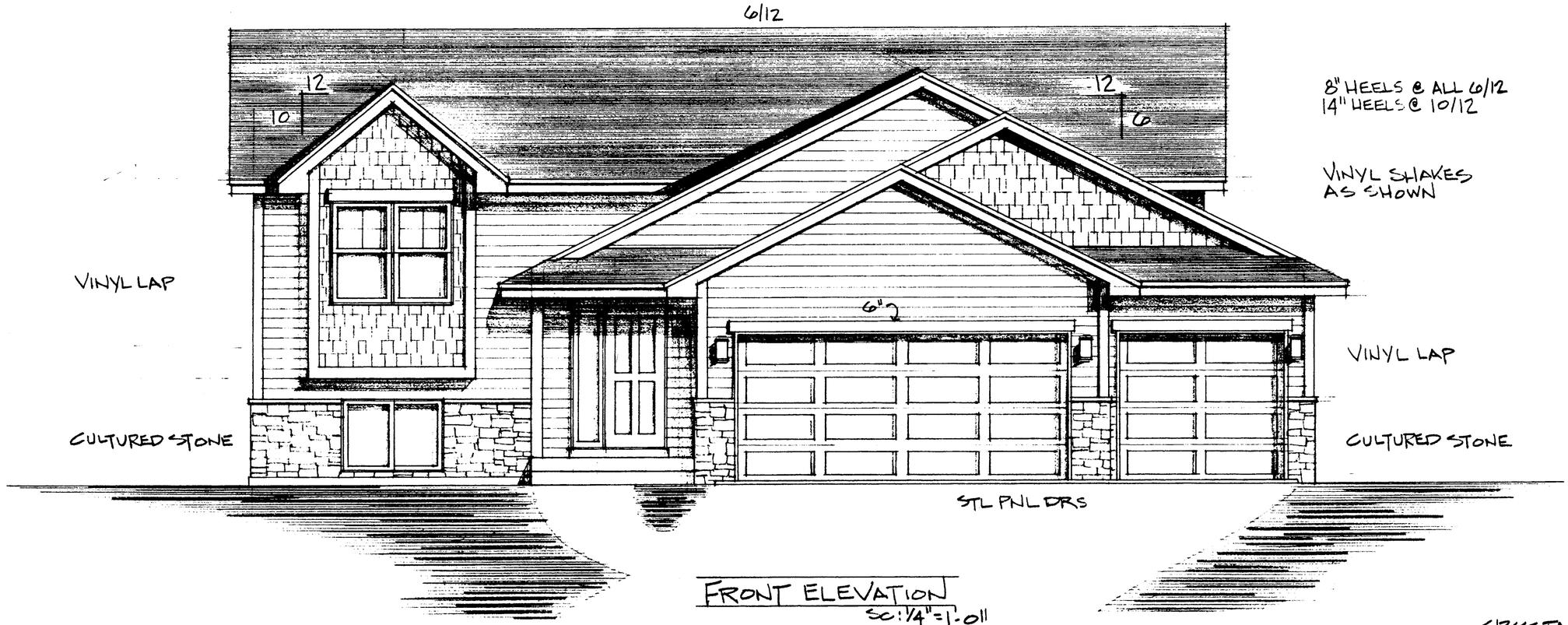


REAR ELEV
SC: 1/8"=1'-0"



RIGHT ELEV
SC: 1/8"=1'-0"

6/12



FRONT ELEVATION
SC: 1/4"=1'-0"

8" HEELS @ ALL 6/12
14" HEELS @ 10/12

VINYL SHAKES
AS SHOWN

CRYSTAL

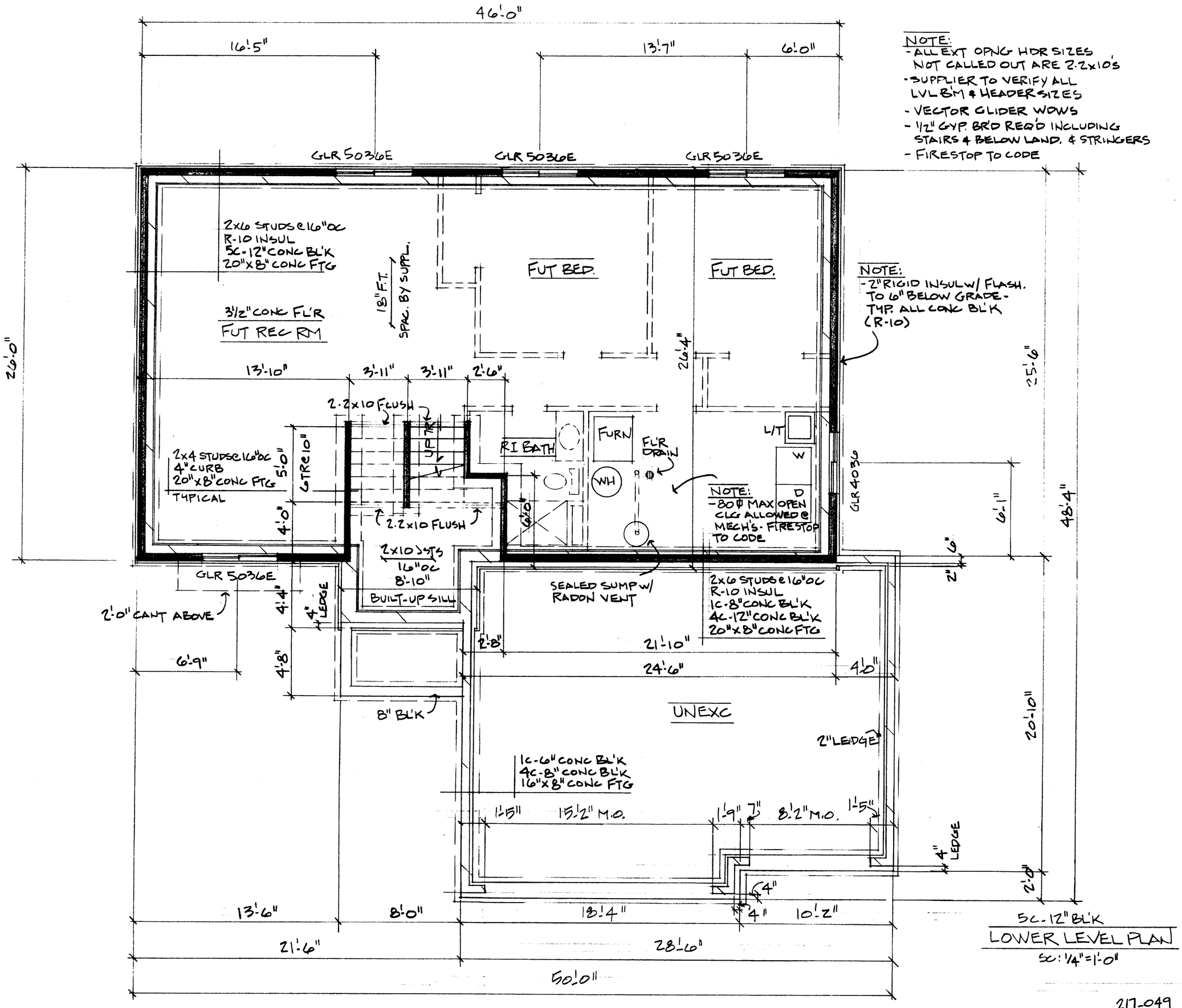
215-049 W/ 28'-6"
GARAGE

NORTHWEST DESIGN INC. ASSUMES NO RESPONSIBILITY FOR ERRORS OR OMISSIONS. THE CONTRACTOR MUST VERIFY ALL NOTES, DIMENSIONS AND CONDITIONS PRIOR TO THE START OF CONSTRUCTION AND BE RESPONSIBLE FOR THE SAME DURING CONSTRUCTION. NO GUARANTEE EXPRESS OR IMPLIED IN COMPLIANCE OF THIS PLAN WITH OWNER/CONTRACTOR ARE MADE.

NWD
NORTHWEST DESIGN INC.
Residential Drafting & Design
8525 EDINBROOK CROSSING
SUITE 104C
BROOKLYN PARK, MN 55443
763-424-3225

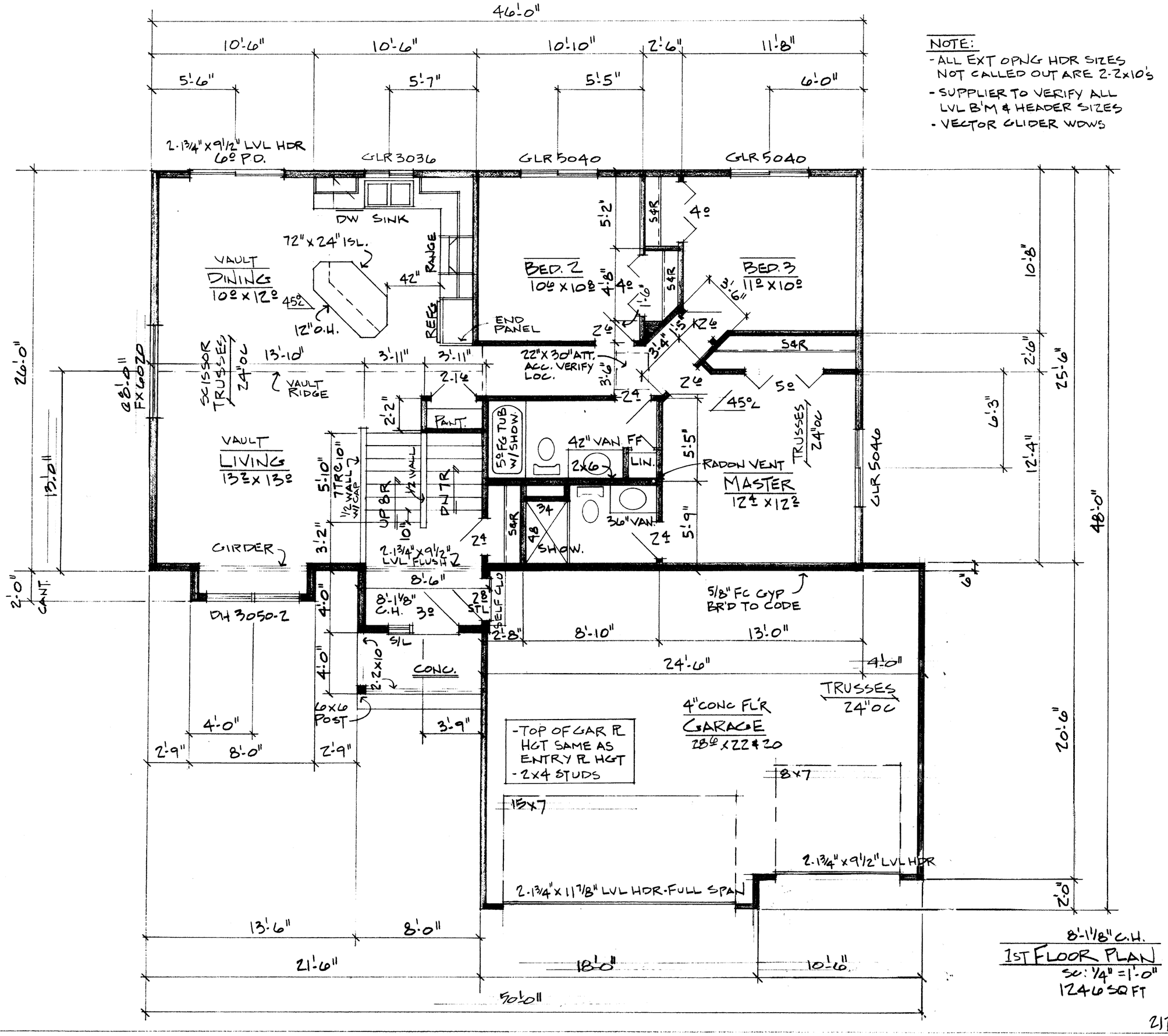
NEW HOME BY:
TOLLBERG HOMES

PLAN: 217-049
DATE: 8-31-17
SQFT: 1246
REVISED:



LOWER LEVEL PLAN

SC: 1/4" = 1'-0"



NOTE:
- ALL EXT OPNG HDR SIZES NOT CALLED OUT ARE 2-2x10's
- SUPPLIER TO VERIFY ALL LVL B'M & HEADER SIZES
- VECTOR GLIDER WDWS

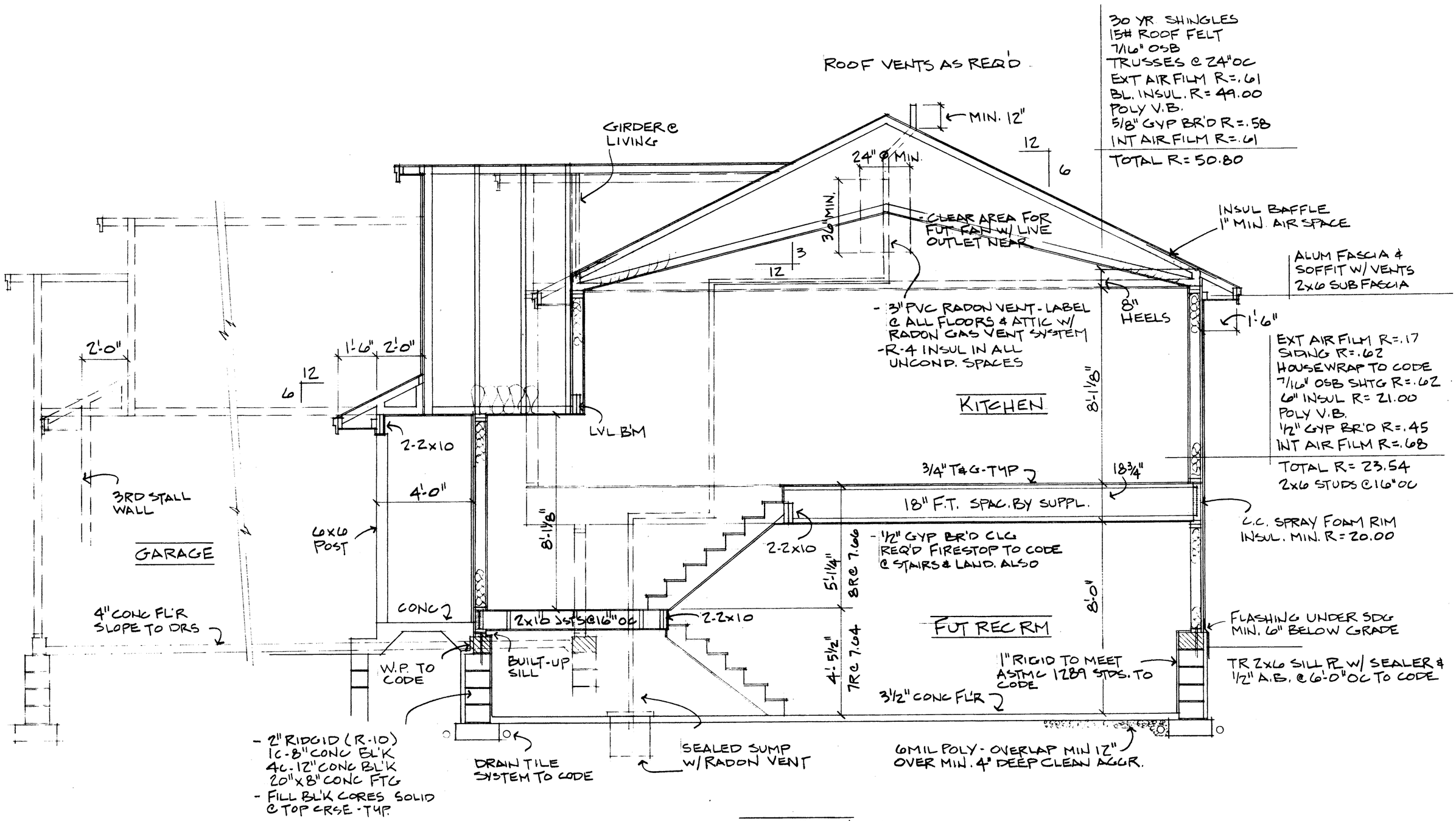
8'-1 1/8" C.H.

1ST FLOOR PLAN

SC: 1/4" = 1'-0"

1246 SQ FT

217-049 3



30 YR SHINGLES
15# ROOF FELT
7/16" OSB
TRUSSES @ 24" OC
EXT AIR FILM R=.61
BL. INSUL. R=49.00
POLY V.B.
5/8" GYP BR'D R=.58
INT AIR FILM R=.61
TOTAL R=50.80

EXT AIR FILM R=.17
SIDING R=.62
HOUSEWRAP TO CODE
7/16" OSB SHTG R=.62
6" INSUL R=21.00
POLY V.B.
1/2" GYP BR'D R=.45
INT AIR FILM R=.68
TOTAL R=23.54
2x6 STUDS @ 16" OC

C.C. SPRAY FOAM RIM INSUL. MIN. R=20.00

SECTION

Sc: 3/8" = 1'-0"

CITY OF BROOKLYN CENTER
5355 EMERSON AVE REQUEST FOR PROPOSALS
APPLICATION FORM

Applicant's Information

Name: Lennie Chism

Address: P. O. Box 581452, Mpls, Mn, 55458

Email: LENNIECHISM@gmail.com

Phone Number: 202 - 578-2740

Builder's Information

Company Name: "Self"

Contact Person: Lennie Chism

Address: P. O. Box 581452, Mpls, MN, 55458

Email: LENNIECHISM@gmail.com

Phone Number: 202 - 578-2740

Proposed Home Information

Total Square Footage: 3500 sq. ft. Number of Bedrooms: 5

Number of Bathrooms: 4

Number of Enclosed Garage Spaces: 3 1/2

Garage Details (check applicable): _____Attached X Detached

Proposed Purchase Price

$ 31,000 (*price must be at or above $30,000*)

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Applicant Signature — Date: 7/30/19

Builder Signature (if different) — Date

Lennie Chism's Container Life is a 5 bedroom two story home made with a modern interior design from 8 to 10 standard shipping containers stacked on top of each other in a staggered arrangement. The containers' ends will make way for windows and numerous decks. The cargo doors can be opened or closed for shade, privacy, or protection during severe storms. The container home will be constructed after the modules are delivered to the site. Approx 3500 square feet.

Designed for energy-efficiency and sustainability, the home makes use of recycled shipping containers. The basement contains a large open rec room (which could be converted into 4 bedrooms), a bathroom, and a laundry room. The ground floor includes an open floor plan kitchen and dining area, and the upstairs contains the master suite, another bathroom, and a bedroom.

The home also features spray foam insulation, hot water on demand in-floor heating system, a green roof, and numerous recycled materials. Numerous decks expand the home's living space into the outdoors, and passive natural ventilation is used for cooling in the warmer summer months.

Garage
This is a single story modern garage built on a slab foundation. The garage feature 3 stalls with one side door.







"We need to be creative and try new ideas to address the affordable housing in Brooklyn Center" Lennie Chism

Overview of the building process in pictures.















MEMORANDUM - COUNCIL WORK SESSION

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: Meg Beekman, Community Development Director

FROM: Brett Angell, Business and Workforce Development Specialist

SUBJECT: Discussion on Leasing EDA-Owned Property to Private Parties and Food Truck Operations Within the City

Background:

Over the past several months, staff have received numerous inquires from public and private organizations who have requested the ability to rent or use EDA-owned property for events or other operations. Currently the City does not have a process in place to allow for the usage of the properties by private parties. In order to allow for the usage of the properties by private parties, the City could create a licensing procedure where the activity is licensed to use a site. The license could be structured to be approved internally by staff or require the EDA to approve any and all license applications.

Any license would to have set guidelines that the use would be required to follow including, but not limited to, the submission of a site plan, dates, hours, proof of insurance, etc. One important aspect to consider is the licensing of the property should be for uses that are permitted in that zoning district. If the use that is being proposed is not a permitted use in that zoning district, it could lead to complications.

Currently, the EDA-owned sites that have generated the most interested for private usage include 2500 County Road 10 (former Brookdale Ford) and the 57th and Logan site. The proposed uses/events for either site include religious groups, food trucks and other mobile restaurants, and entertainment programs. Event types vary based on the type of proposed use. One of the food vendors that is interested in utilizing 2500 County Road 10 is a current vendor for the Saturday Market who would like the ability to utilize the space on additional days. One of the religious uses are interested in hosting a community gathering event since they do not currently have the space to do so in the building which they currently operate out of.

Additionally, City policy currently does not allow for food trucks to be located on properties, with the exception of being a part of an event that has obtained an administrative permit. The City policy and direction regarding food trucks could be altered to allow for food trucks to utilize private parking lots for daily sales with property owner permission. With the City currently undergoing changes to the zoning code, the City will have the ability to incorporate any desired regulations regarding food trucks within the new zoning code.

Policy Issues:

- Does the EDA have interest in allowing private events or functions to occur on EDA-owned properties? What are appropriate uses that should be considered?
- What specific considerations should be included in the licensing? Should any license require EDA-approval?
- Should there be a fee associated with a license application for the usage of an EDA-owned site? How much should the fee be?
- Should the policy regarding food trucks be changed to allow for food trucks to operate within private

parking lots?

Strategic Priorities and Values:

Enhanced Community Image, Resident Economic Stability

MEMORANDUM - COUNCIL WORK SESSION

DATE: 8/12/2019

TO: Curt Boganey, City Manager

THROUGH: Dr. Reggie Edwards, Deputy City Manager

FROM: Barb Suciu, City Clerk

SUBJECT: Pending Items

Recommendation:

- Livable Wages
- Liquor Ordinance/Entertainment Permit - 8/26
- Liquor Ordinance Updates - 8/26
- 2020 Elections Update - 8/26
- Public Subsidy Policy- ?
- Commemoration of 400 years of Slavery Activities
- Police Crisis Prevention Options
- Residential Design Standards
- SAC Credit Policy
- Target Property

Background: