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2015R- 270
RESOLUTION
of the
CITY OF
MINNEAPOLIS

By Goodman

Giving host approval to the issuance of obligations by the Cities of Lilydale and Mendota, Minnesota to finance a project by Minnehaha Academy.

Whereas, Minnehaha Academy (the "Borrower") located at 4015 Inglewood Avenue South, Minneapolis, Minnesota, has represented to the City (i) that it is a Minnesota nonprofit corporation and organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") (ii) that it desires to refinance the following obligations issued by the City of Minneapolis, Minnesota (the "City"): \$10,000,000 Variable Rate Demand Revenue Bond (Minnehaha Academy Project), Series 2001, dated May 25, 2001, and \$10,200,000 Revenue Bond (Minnehaha Academy Project), Series 2007, dated March 13, 2007 (collectively, the "Prior Obligations"), and (iii) that the Prior Obligations were incurred for the activities described below:

- (a) refinancing a project which consisted of (i) a new approximately 38,000 square foot gymnasium building, (ii) approximately 32,000 square feet of renovations comprised of new performance, rehearsal and storage space for drama productions, choir, band and orchestra concerts and other performing and visual arts events, as well as community gatherings, an art room, a photography darkroom, four classrooms, student commons and locker areas and an approximately 2,800 square foot enclosed pedestrian walkway connecting the auditorium and gymnasium, (iii) office space for the Admissions and Development offices of the Borrower, (iv) various site improvements and enhancements of existing 9th through 12th grade school facilities located at 3107 – 47th Avenue South in the City, and (v) expansion, renovation, remodeling, equipping and various site improvements and enhancements of the pre-kindergarten through 8th grade school facilities located at 4200 West River Parkway in the City;
- (b) refinancing a debt obligation incurred by the Borrower with respect to the Prior Obligations; and
- (c) paying costs associated with the proposed revenue obligations (the "Project"); and

Whereas, it is anticipated by the Borrower that the refinancing will be pursuant to an issue of tax-exempt obligations to be purchased by a lending institution which will require that such obligations be designated by the issuer thereof as "qualified tax exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended; and

Whereas, each issuer of "qualified tax exempt obligations" is limited to issuance of not more than \$10,000,000 of such obligations during each calendar year, whether designated or not; and

Whereas, it is anticipated that the City will issue obligations in calendar year 2015 in an amount in excess of \$10,000,000; and

Whereas, the Borrower has represented that the Cities of Lilydale and Mendota, Minnesota (together, the "Issuers") have agreed to issue tax-exempt bank qualified revenue obligations, in one or more series, whether taxable or tax exempt in an amount not to exceed \$13,500,000 (the "Obligations") to finance the Project and payment of the issuance costs of the Obligations; and

Whereas, the Borrower has represented that the Obligations are expected to be issued pursuant to Minnesota Statutes, Sections 469.152 through 469.165 as amended, relating to municipal industrial development (the "Act"); and

Whereas, Minnesota Statutes, Section 471.656 provides that a municipality may not issue obligations to finance the acquisition or improvement of real property located outside of the corporate boundaries of the issuer unless the municipality in which the real property to be improved is located consents to the issuance of such obligations; and

Whereas, the tax-exempt bond provisions of the Internal Revenue Code of 1986, as amended, require that each jurisdiction containing a project to be financed with tax-exempt obligations hold a public hearing on the issuance; and

Whereas, a Notice of Public Hearing was published in the *Star Tribune*, the City's official newspaper and a newspaper of general circulation, calling a public hearing on the proposed issuance of the Obligations by the Issuers and the proposal by the Issuers to undertake and finance the Project; and

Whereas, the Community Development & Regulatory Services Committee of the City Council has, on June 23, 2015, held a public hearing on the proposal to undertake and finance, through the issuance of the Obligations by the Issuers, the portion of the Project located within the jurisdictional limits of the City, at which all those appearing who desired to speak were heard and written comments were accepted;

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

That the City Council consents to the issuance by the Issuers of the Obligations.

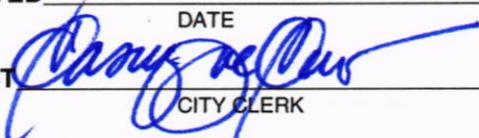
Be It Further Resolved that the Finance Officer, or the authorized designee of the Finance Officer, is authorized and directed to execute and deliver such documents or certificates needed by the Issuers from the City for the sale of the Obligations.

Be It Further Resolved that the Obligations, when and if issued for the Project, shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the City, and will not be a charge against the general credit or taxing power of the City. (There will, however, be a charge, lien or encumbrance on the Project, which is not an asset of the City.) The Obligations, when and if issued, shall recite in substance that the Obligations and the interest thereon shall not constitute a debt of the City.

Certified as an official action of the City Council: 

RECORD OF COUNCIL VOTE (X INDICATES VOTE)													
COUNCIL MEMBER	AYE	NAY	ABSTAIN	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN	COUNCIL MEMBER	AYE	NAY	ABSTAIN	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN
Reich	X						Glidden	X					
Gordon	X						Cano	X					
Frey	X						Bender	X					
B Johnson	X						Quincy	X					
Yang	X						A Johnson	X					
Warsame	X						Palmisano	X					
Goodman	X												

ADOPTED JUL 10 2015
DATE

ATTEST 
CITY CLERK

APPROVED NOT APPROVED VETOED

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 JUL 15 2015
MAYOR HODGES DATE