

**RESOLUTION
OF THE
CITY OF MINNEAPOLIS**

By Goodman and Quincy

Approving the Hawthorne EcoVillage Apartments Tax Increment Financing Plan.

Resolved by The City Council of The City of Minneapolis:

Section 1. Recitals

1.1. Pursuant to Laws of Minnesota 2003, Chapter 127, Article 12, Sections 31-34, and Minneapolis Code of Ordinances, Chapter 415, the City of Minneapolis (the "City"), acting by and through its department of Community Planning and Economic Development, has been granted the authority to propose and implement city development districts, housing and redevelopment projects and tax increment financing ("TIF") districts, all pursuant to Minnesota Statutes, Sections 469.001 through 469.134, and 469.174 through 469.179, as amended, and other laws enumerated therein (collectively, the "Project Laws").

1.2. By Resolution 2003R-244 duly adopted June 6, 2003 and approved June 11, 2003, the City approved the West Lowry Avenue Redevelopment Plan and thereby established the West Lowry Avenue Redevelopment Project (the "Project Area"). By Resolution 2008R-140 duly adopted April 18, 2008 and approved April 25, 2008, the City approved Modification No. 1 to the West Lowry Avenue Redevelopment Plan.

1.3. It has been proposed and the City has caused to be prepared, and this Council has investigated the facts with respect to, the Hawthorne EcoVillage Apartments TIF Plan (the "TIF Plan"). The TIF Plan creates a new housing TIF district (the "TIF District") within the Project Area, designates property to be included in the TIF District, states the City's objectives, describes proposed development activity, and identifies a budget for expenditures. These actions are all pursuant to and in accordance with the Project Laws.

1.4. The City has performed all actions required by law to be performed prior to the adoption of the TIF Plan, including, but not limited to, a review of the TIF Plan by the affected neighborhood group and the City Planning Commission, transmittal of the TIF Plan to the Hennepin County Board of Commissioners and the Board of Education of Special School District No. 1 for their review and comment, and the holding of a public hearing upon published notice as required by law.

Section 2. Findings and Election

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

2.2. The Council further finds, determines and declares that the TIF District is a housing district pursuant to Minnesota Statutes, Section 469.174, Subdivision 11.

2.3. The Council further finds, determines and declares that the TIF Plan conforms to the general plan for the development or redevelopment of the city as a whole. Written comments of the City Planning Commission with respect to the TIF Plan were issued on February 22, 2016, are incorporated herein by reference, and are on file in the office of the City Clerk.

2.4. The Council further finds, determines and declares that the TIF Plan will afford maximum opportunity, consistent with the sound needs of the city as a whole, for the redevelopment of the Project Area and TIF District by private enterprise.

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

2.6. The Council further finds, determines and declares that the proposed development would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future.

2.7. The Council further finds, determines and declares that the reasons and facts supporting the findings in this resolution are described in the TIF Plan.

2.8. The Council elects the method of computation provided in Minnesota Statutes, Section 469.177, Subdivision 3, Paragraph (a). The Council acknowledges that, by making this election, the entire fiscal disparity contribution required of the City for development occurring within this TIF District will be taken from outside the TIF District.

2.9. The Council hereby finds, determines and declares that it is necessary and in the best interests of the City at this time to approve the TIF Plan.

Section 3. Approval of the TIF Plan

3.1. Based upon the findings set forth in Section 2 hereof, the TIF Plan presented to the Council on this date is hereby approved and shall be placed on file in the office of the City Clerk.

Section 4. Implementation of the TIF Plan

4.1. After passage and publication of this Resolution, the officers and staff of the City and the City's consultants and counsel are authorized and directed to proceed with the implementation of the TIF Plan, and for this purpose to negotiate, draft, prepare and present to this Council for its consideration, as appropriate, all further modifications, plans, resolutions, documents and contracts necessary for this purpose.

4.2. As provided under Minnesota Statutes, Section 469.178, Subdivision 7, this Council hereby authorizes the advance of revenues from other available development revenues of the City in the principal amount needed to offset any negative fund balances incurred with respect to administrative costs related to this TIF District as a result of expenditures incurred prior to or in excess of the collection of tax increment revenue. The interest rate paid on such advances shall be equal to the rate of interest those revenues would have generated in their fund. In no event will the rate of interest charged on the advance exceed the statutory maximum set forth at Minnesota

Statutes, Section 469.178, Subdivision 7. The term of this advance shall end upon the termination of the TIF District, although as revenues are available in the fund for the TIF District, the advance shall be offset by such amounts.