

**RESOLUTION
OF THE
CITY OF MINNEAPOLIS**

By Glidden, Lilligren and Reich

Establishing a Project Area and Value Capture District for Streetcar Financing.

Resolved by the City Council of the City of Minneapolis:

Section 1. Recitals

1.1. In 2010 the City Council approved a long-term streetcar network consistent with the Minneapolis Streetcar Feasibility Study Final Report dated December 2007 and prioritized a streetcar line within the Nicollet Avenue and Central Avenue corridors as an initial implementation phase of the long-term network.

1.2. Laws of Minnesota 2013, Chapter 143, Article 9, Section 20 (the "Legislation") grants authority to the City to establish, by resolution, a project area consisting of one city block on either side of a streetcar line designated by the City to serve the downtown and adjacent neighborhoods of the city (the "Project Area") and a value capture district consisting of some or all of the taxable parcels located within one or more areas of the city as described in the Legislation (the "District").

1.3. The Legislation provides that, in addition to paying for reasonable administrative costs of the District, the City may spend tax revenues of the District for property acquisition, improvements and equipment to be used for operations within the Project Area, along with related costs for planning, design and engineering services related to construction of the streetcar line; acquiring property for, constructing and installing a streetcar line; acquiring and maintaining equipment and rolling stock and related facilities, such as maintenance facilities, which need not be located in the Project Area; acquiring, constructing or improving transit stations; and acquiring or improving public space, including the construction and installation of improvements to streets and sidewalks, decorative lighting and surfaces, and plantings related to the streetcar line. Tax revenues of the District may not be used for the operation of the streetcar line.

1.4. The City may issue bonds or other obligations under Minnesota Statutes, Chapter 475, without an election, to fund acquisition or improvement of property of a capital nature authorized by the Legislation, including any costs of issuance. The City may also issue bonds or other obligations to refund those bonds or obligations. Payment of principal and interest on the bonds or other obligations issued under the Legislation is a permitted use of the District's revenues.

1.5. The duration of the District is limited to the lesser of (1) 25 years of tax revenues, or (2) the time necessary to collect tax revenues equal to the amount of the capital costs permitted by the Legislation or the amount needed to pay or defease bonds or other obligations issued under the Legislation, whichever is later.

1.6. The City has performed all actions required by law to be performed prior to the adoption of this resolution and the establishment of the Project Area and District, including, but not limited to, the holding of a public hearing on its proposed establishment upon published notice as required by law.

Section 2. Findings and Elections

2.1. The Council hereby finds, determines and declares that the Project Area shall consist of one city block on either side of the streetcar line designated on the attached map, as amended from time to time. Prior to implementation, the City will finalize the routing decisions at Lake Street and the Mississippi River.

2.2. The Council further finds, determines and declares that the District shall consist of all of the taxable parcels located within the following described areas:

The area bounded by Nicollet Avenue on the west, 16th Street East on the south, First Avenue South on the east, and 14th Street East on the north. Addresses and property identification numbers of the parcels included within this area are listed below.

1501 Nicollet Avenue	27-029-24-42-0051
1401 Nicollet Avenue	27-029-24-42-0071
1405 Nicollet Avenue	27-029-24-42-0072
1411 Nicollet Avenue	27-029-24-42-0029
1413 Nicollet Avenue	27-029-24-42-0031
10 15th Street East	27-029-24-42-0030
1408 1st Avenue South	27-029-24-42-0025
1406 1st Avenue North	27-029-24-42-0026
1402 1st Avenue South	27-029-24-42-0027
1509 Nicollet Avenue	27-029-24-42-0052
1508 1st Avenue South	27-029-24-42-0073
15 15th Street East	27-029-24-42-0079
1520 1st Avenue South	27-029-24-42-0047
1523 Nicollet Avenue	27-029-24-42-0048
1515 Nicollet Avenue	27-029-24-42-0080

The area bounded by Spruce Place on the west, 14th Street West on the south, LaSalle Avenue on the east, and Grant Street West on the north. Addresses and property identification numbers of the parcels included within this area are listed below.

1368 LaSalle Avenue	27-029-24-31-0130
1365 Spruce Place	27-029-24-31-0055
125 Grant St West	27-029-24-31-0058
121 Grant St West	27-029-24-31-0057
117 Grant St West	27-029-24-31-0056
115 Grant St West	27-029-24-31-0186
101 Grant St West	27-029-24-31-0050
1362 LaSalle Avenue	27-029-24-31-0051

The area bounded by Nicollet Avenue or Mall on the west, Fifth Street South on the south, Marquette Avenue on the east, and Fourth Street South on the north. Addresses and property identification numbers of the parcels included within this area are listed below.

415 Nicollet Mall	22-029-24-44-0037
426 Marquette Avenue	22-029-24-44-0038
427 Nicollet Mall	22-029-24-44-0035
423 Nicollet Mall	22-029-24-44-0036
401 Nicollet Mall	22-029-24-44-0039

47 4th Street South 22-029-24-44-0040
400 Marquette Avenue 22-029-24-44-0094

The area bounded by First Avenue North on the west, Washington Avenue on the south, Hennepin Avenue on the east, and Second Street North on the north. The address and property identification number of the parcel included within this area are listed below.

222 Hennepin Avenue 22-029-24-41-0008

The area bounded by Fifth Street Northeast on the west, Central Avenue Northeast on the southeast, Sixth Street Northeast on the east, Hennepin Avenue East on the south, and First Avenue Northeast on the north. Addresses and property identification numbers of the parcels included within this area are listed below.

519 Central Avenue Northeast 23-029-24-12-0035
514 1st Avenue Northeast 23-029-24-12-0033
525 Central Avenue Northeast 23-029-24-12-0034
500 1st Avenue Northeast 23-029-24-12-0032
13 5th Street Northeast 23-029-24-12-0031
501 Hennepin Avenue East 23-029-24-12-0030
505 Hennepin Avenue East 23-029-24-12-0028
509 Central Avenue Northeast 23-029-24-12-0029

2.3. The City elects to retain 100 percent of the captured net tax capacity of the District.

2.4. 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 commercial/industrial development occurring within the District will be taken from outside the District.

2.5. The Council further finds, determines and declares that it is necessary and in the best interests of the City at this time to establish the Project Area and District.

2.6. The Council further finds, determines and declares that the City shall request the Hennepin County Auditor to certify the District for calculation of the District's tax revenues.

Section 3. Establishment and Implementation of the Project Area and District

3.1. Based upon the findings set forth in Section 2 hereof, the Project Area and District are hereby established.

3.2. This resolution is effective immediately upon publication.

3.3. 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 Project Area and District, and for this purpose to negotiate, draft, prepare and present to this Council for its consideration, as appropriate, all further resolutions, documents and contracts necessary for this purpose.