

REQUEST FOR COUNCIL ACTION

Date: 06/15/09
Item No.: 11.b

Department Approval

City Manager Approval

Christopher K. Miller

W. J. Mahinen

Item Description: Public Hearing to Consider Issuing Conduit Refunding Bonds for Eagle Crest Inc. / Presbyterian Homes

BACKGROUND

State Statute provides for the issuance of tax-exempt bonds by municipalities for the benefit of housing or long-term care facilities that are deemed to be in the best interest of the City, and to provide care at an affordable cost. The bonds are considered conduit debt and do not constitute a financial obligation in any part by the City. However, the City must still meet all legal requirements prior to issuing any tax-exempt bonds or refunding bonds, including holding a public hearing.

Eagle Crest Inc. / Presbyterian Homes has requested that the City provide conduit refunding bonds for the purposes of refinancing existing debt and new capital improvements for their facility located at 2925-45 Lincoln Drive in Roseville as well as their Arden Hills facilities. The total amount of refinancing is estimated to be \$23,390,000. The City has participated in similar financing arrangements for Presbyterian Homes in 1993, 1998, and 2007.

The City's Bond Counsel of Briggs & Morgan, has reviewed the legal and financing agreements, and will be in attendance to answer any Council inquiries.

POLICY OBJECTIVE

Generally speaking, the public policy reason for City participation in these financings is to promote greater investment in the City's long-term care facilities than would otherwise occur by market factors alone. Allowing the bonds to be issued tax-exempt (where applicable) makes the bonds more attractive to investors and results in lower borrowing costs compared to traditional financing methods. This in turn, provides more available dollars for the proposed project.

FINANCIAL IMPACTS

There is no fiscal impact on the part of the City. All costs of debt issuance will be paid by the applicant.

STAFF RECOMMENDATION

Staff recommends the Council approve the issuance of conduit refunding bonds for Eagle Crest Inc. / Presbyterian Homes.

27 **REQUESTED COUNCIL ACTION**

28 Motion to adopt the attached resolution authorizing the issuance of conduit refunding bonds for Eagle Crest
29 Inc. / Presbyterian Homes.

30

Prepared by: Chris Miller, Finance Director

Attachments: A: Resolution authorizing the issuance of conduit refunding bonds for Eagle Crest Inc. / Presbyterian
Homes, as prepared by Bond Counsel.

31 EXTRACT OF MINUTES OF A MEETING OF THE
32 CITY COUNCIL OF THE CITY OF
33 ROSEVILLE, MINNESOTA

34 Pursuant to due call and notice thereof, a regular or special meeting of the City Council of the City of
35 Roseville, Minnesota, was duly held in the City Hall in said City on Monday, June 15, 2009,
36 commencing at 6:00 P.M.

37 The following Councilmembers were present:

38
39 and the following were absent:

40 Member _____ introduced the following resolution and moved its adoption:

41 RESOLUTION NO. _____

42 RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF THE CITY OF
43 ROSEVILLE, MINNESOTA SENIOR HOUSING REVENUE REFUNDING BONDS
44 (EAGLECREST PROJECT), SERIES 2009 AND APPROVING THE FORM OF AND
45 AUTHORIZING THE EXECUTION AND DELIVERY OF THE BONDS AND VARIOUS
46 DOCUMENTS RELATING THERETO
47

48 WHEREAS, the City of Roseville, Minnesota (the "City"), is a political subdivision of the State of
49 Minnesota.

50 WHEREAS, Minnesota Statutes, Chapter 462C, as amended (the "Housing Program Act"),
51 authorizes and empowers municipalities of the State of Minnesota to issue and sell revenue bonds and
52 lend the proceeds thereof to an organization described in Section 501(c)(3) of the Internal Revenue
53 Code of 1986, as amended (the "Code") for the purpose of providing financing or refinancing for the
54 acquisition of multifamily housing developments authorized thereby.

55 WHEREAS, the City is authorized by the Housing Program Act to issue revenue obligations to
56 finance or refinance multifamily rental housing developments designed and intended to be used
57 primarily by elderly or physically handicapped persons.

58 WHEREAS, the Issuer is authorized by Minnesota Statutes, Chapter 469.152 through 469.1651,
59 relating to municipal industrial development (the "Industrial Development Act" and together with the
60 Housing Program Act, the "Act"), to issue revenue obligations for the purpose of promoting the welfare
61 of the state by providing necessary health care facilities, so that adequate health care services are
62 available to residents of the state at reasonable cost.

WHEREAS, as pursuant to the terms of the Housing Program Act, on June 25, 1998, the Issuer issued its \$26,545,000 Senior Housing Revenue Refunding Bonds (College Properties, Inc. Project) Series 1998 (the "1998 Bonds") and loaned the proceeds to College Properties, Inc., a Minnesota nonprofit corporation ("College Properties") to refund and refinance certain tax exempt debt of the Issuer which had been loaned to College Properties and to finance the acquisition and construction of a 36-unit memory care facility connected to College Properties' existing independent and assisted living facility in the City pursuant to a loan agreement dated as of June 1, 1998. The assets of College Properties were acquired by PHS/EagleCrest, Inc., formerly known as PHM/EagleCrest, Inc., a Minnesota nonprofit corporation ("PHS") on September 24, 1999 and on April 25, 2007 PHS formed EagleCrest Senior Housing, LLC, a Minnesota limited liability company, of which PHS is the sole member (the "Borrower"). On July 1, 2007 the Issuer issued its \$23,720,000 Senior Housing Refunding Revenue Bonds (EagleCrest Project), Series 2007 (the "Prior Bonds") pursuant to an Indenture of Trust, dated as of July 1, 2007, between the Issuer and U.S. Bank National Association, in St. Paul, Minnesota, as trustee. The proceeds derived from the sale of the Prior Bonds were loaned to the Borrower. The proceeds of the Prior Bonds were applied by the Borrower to refinance the acquisition, construction and equipping of a multifamily rental housing facility known as EagleCrest, consisting of 127 units of independent living apartments, 91 units of assisted living and 36 units for memory care located at 2925-45 Lincoln Drive North in the City (the "Project"); and

WHEREAS, the Borrower's affiliate, Presbyterian Homes of Arden Hills, Minnesota (the "Affiliate") currently has an outstanding taxable obligation payable to U.S. Bank National Association consisting of a construction and term loan in the original principal amount of \$4.2 million, of which approximately \$4.1 million remains outstanding (the "Prior Taxable Debt") which was used to finance improvements to the common areas, hallways and room conversions to the McKnight Care Center, located at 3220 Lake Johanna Boulevard in the City of Arden Hills, Minnesota.

WHEREAS, the Borrower has requested the Issuer to issue senior housing revenue refunding bonds in the maximum aggregate principal amount of \$23,390,000 in accordance with the provisions of the Act and to loan the proceeds thereof to the Borrower to provide for the (i) refinancing of the Project by redemption of the Prior Bonds; (ii) financing certain capital improvements to the Project; (iii) payment in full of the outstanding Prior Taxable Debt; and (iv) payment of certain costs of issuance of the Bonds; and

WHEREAS, the Bonds will be issued under an Indenture of Trust, to be dated on or after June 1, 2009 (the "Indenture"), between the City and U.S. Bank National Association (the "Trustee"), and the Bonds and the interest on the Bonds: (i) shall be payable solely from the revenues pledged therefor; (ii) shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation; (iii) shall not constitute nor give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers; and (iv) shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City other than the City's interest in the Project and in the Amended and Restated Financing Agreement dated on or after June 1, 2009 (the "Financing Agreement"), among the City, the Borrower and the Trustee.

102 WHEREAS, pursuant to the terms of the Financing Agreement, the City will use the proceeds of the
103 sale of Bonds to acquire from the Trustee and amend and restate a loan of the
104 proceeds of the Prior Bonds and the Financing Agreement evidencing such loan in the principal
105 amount of \$23,390,000 (the "Bond Mortgage Loan") to the Borrower in connection with the Project.
106 The Borrower will use the proceeds of the Bond Mortgage Loan to effect the refinancing of the Project
107 by refunding the Prior Bonds, the payment in full of the Prior Taxable Debt, the financing of certain
108 capital improvements to the Project, and to pay certain costs of issuance of the Bonds. The Borrower's
109 repayment obligations in respect of the Bond Mortgage Loan will be evidenced by a Bond Mortgage
110 Note, dated June 26, 2009 (the "Bond Mortgage Note"), executed by the Borrower and delivered to the
111 City, which Bond Mortgage Note will be endorsed by the City to the Trustee pursuant to the Indenture.

112 WHEREAS, the Borrower will cause to be delivered to the Trustee on the date of issuance of the
113 Bonds a direct-pay Credit Enhancement Agreement, to be dated on or after June 1, 2009 (the "Credit
114 Enhancement Agreement"), between the Federal Home Loan Mortgage Corporation ("Freddie Mac")
115 and the Trustee, which will provide for: (i) draws in an amount equal to loan repayments due from the
116 Borrower with respect to the Bond Mortgage Loan; and (ii) liquidity draws by the Trustee to the extent
117 remarketing proceeds are insufficient to pay the purchase price of Bonds tendered for purchase if the
118 Bonds are issued as variable rate bonds for the period that the Bonds bear interest at a variable rate.

119 WHEREAS, Oak Grove Commercial Mortgage, LLC, a Delaware limited liability company (the
120 "Servicer") will act as initial servicer for the Bond Mortgage Loan.

121 WHEREAS, to evidence the Borrower's reimbursement obligations to Freddie Mac for draws made
122 under the Credit Enhancement Agreement, the Borrower and Freddie Mac will enter into a
123 Reimbursement and Security Agreement, to be dated on or after June 1, 2009 (the "Reimbursement
124 Agreement").

125 WHEREAS, to secure the Borrower's reimbursement obligations to Freddie Mac under the
126 Reimbursement Agreement and to secure the Borrower's obligations to the Issuer and the Trustee under
127 the Financing Agreement, the Borrower will execute and deliver to the Issuer and Freddie Mac an
128 Amended and Restated Multifamily Mortgage, Assignment of Rents, Security Agreement and Fixture
129 Financing Statement, to be dated on or after June 1, 2009 (the "Mortgage"), with respect to the Project.
130 The Issuer will assign its interests in the Mortgage to the Trustee pursuant to an Assignment of
131 Amended and Restated Multifamily Mortgage, Assignment of Rents, Security Agreement and Fixture
132 Financing Statement, dated on or after June 1, 2009 (the "Mortgage Assignment").

133 WHEREAS, the City, the Trustee and Freddie Mac propose to enter into an Assignment and
134 Intercreditor Agreement, to be dated on or after June 1, 2009 (the "Intercreditor Agreement"), in
135 connection with Freddie Mac's provision of credit enhancement under the Credit Enhancement
136 Agreement.

137 WHEREAS, the City, the Trustee, the Borrower and Freddie Mac propose to enter into a
138 Consolidation Agreement, to be dated on or after June 1, 2009 (the "Consolidation Agreement"), in
139 connection with the Project.

140 WHEREAS, a public hearing on the Project was held on this date, after notice was published and
141 materials made available for public inspection at the City Hall, all as required by the Act and Section
142 147(f) of the Internal Revenue Code of 1986, as amended, at which public hearing all those appearing
143 who desired to speak were heard and written comments were accepted.

144 NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
145 ROSEVILLE, MINNESOTA, AS FOLLOWS:

146 1. The City acknowledges, finds, determines, and declares that the issuance of the Bonds is
147 authorized by the Act and is consistent with the purposes of the Act and that the issuance of the Bonds
148 and the other actions of the City under the Indenture, the Financing Agreement, and this resolution
149 constitute a public purpose and are in the best interests of the City.

150 2. The Borrower have agreed, and it is hereby determined, that any and all costs incurred
151 by the City in connection with the refinancing of the Project and the financing of certain capital
152 improvements to the Project, including reasonable attorneys' fees, whether or not the Bonds are issued,
153 will be paid by the Borrower.

154 3. For the purposes set forth above, there is hereby authorized the issuance, sale and
155 delivery of the Bonds in the original aggregate principal amount of \$23,390,000. The Bonds shall
156 initially bear interest at a variable rate not to exceed the maximum interest rate per annum established
157 by the terms of the Indenture or in the alternative fixed rates as set forth in the Indenture. The Bonds
158 shall be numbered, shall be dated, shall mature, shall be subject to redemption prior to maturity, shall
159 be in such form, and shall have such other terms, details, and provisions as are prescribed in the
160 Indenture, in the form now on file with the City, with the amendments referenced herein. The City
161 hereby authorizes the Bonds to be issued as "tax-exempt bonds" the interest on which is not includable
162 in gross income for federal and State of Minnesota income tax purposes.

163 All of the provisions of the Bonds, when executed as authorized herein, shall be deemed to be a part
164 of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full
165 force and effect from the date of execution and delivery thereof. The Bonds shall be substantially in the
166 form on file with the City, which is hereby approved, with such necessary and appropriate variations,
167 omissions, and insertions (including changes to the principal amount, the maturity schedule, optional
168 and mandatory redemption terms, mandatory sinking fund payment schedules, and other terms and
169 provisions of the Bonds) as the Mayor and the City Manager of the City (the "Mayor" and "City
170 Manager," respectively), in their discretion, shall determine. The execution of the Bonds with the
171 manual or facsimile signatures of the Mayor and the City Manager and the delivery of the Bonds by the
172 City shall be conclusive evidence of such determination.

173 The Bonds and the interest thereon are not general or moral obligations of the City. The Bonds and the
174 interest thereon are limited obligations of the City, payable solely from the Trust Estate pledged
175 therefore under the Indenture, including, without limitation, its interest in payments received under the
176 Bond Mortgage Note and the Credit Enhancement Agreement.

177 4. The City Council hereby authorizes and directs the Mayor and the City Manager to
178 execute the Indenture and to deliver the Indenture to the Trustee and hereby authorizes and directs the
179 execution of the Bonds in accordance with the Indenture, and hereby provides that the Indenture shall
180 provide the terms and conditions, covenants, rights, obligations, duties, and agreements of the
181 bondholders, the City, and the Trustee as set forth therein.

182 All of the provisions of the Indenture, when executed as authorized herein, shall be deemed to be a
183 part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in
184 full force and effect from the date of execution and delivery thereof. The Indenture shall be
185 substantially in the form on file with the City on the date hereof, and is hereby approved, with such
186 changes as shall be approved by the Mayor and the City Manager, and with such necessary and
187 appropriate variations, omissions, and insertions as are not materially inconsistent with such form and
188 as the Mayor and the City Manager, in their discretion, shall determine; provided that the execution and
189 delivery thereof by the Mayor and the City Manager shall be conclusive evidence of such
190 determination.

191 5. The Mayor and the City Manager are hereby designated as the representatives of the
192 City with respect to the issuance of the Bonds and the transactions related thereto and are hereby
193 authorized and directed to accept and execute the Bond Purchase Agreement, to be dated on or after the
194 date of adoption of this resolution (the "Bond Purchase Agreement"), between Piper Jaffray & Co. (the
195 "Underwriter"), the City, and the Borrower. All of the provisions of the Bond Purchase Agreement,
196 when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as
197 fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from
198 the date of execution and delivery thereof. The Bond Purchase Agreement shall be substantially in the
199 form on file with the City on the date hereof, and is hereby approved, with such necessary and
200 appropriate variations, omissions, and insertions as are not materially inconsistent with such form as the
201 Mayor and the City Manager, in their discretion, shall determine; provided that the execution thereof by
202 the Mayor and the City Manager shall be conclusive evidence of such determination.

203 6. The Mayor and the City Manager are hereby authorized and directed to execute the
204 Financing Agreement with the Borrower and the Trustee, and when executed and delivered as
205 authorized herein, the Financing Agreement shall be deemed to be a part of this resolution as fully and
206 to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date
207 of execution and delivery thereof. The Financing Agreement shall be substantially in the form on file
208 with the City on the date hereof, which is hereby approved, with such necessary variations, omissions,
209 and insertions as are not materially inconsistent with such forms and as the Mayor and the City
210 Manager, in their discretion, shall determine; provided that the execution thereof by the Mayor and the
211 City Manager shall be conclusive evidence of such determination.

212 The Mayor and the City Manager are hereby authorized and directed to accept the Bond Mortgage
213 Note. The Mayor and the City Manager are hereby authorized and directed to endorse the Bond
214 Mortgage Note to the Trustee, without recourse, for the benefit of the owners of the Bonds. The Mayor
215 and the City Manager are hereby authorized and directed to execute and deliver the Intercreditor
216 Agreement and the Consolidation Agreement and, when executed and delivered as authorized herein,
217 the Intercreditor Agreement and the Consolidation

218 7. Agreement shall each be deemed to be a part of this resolution as fully and to the same
219 extent as if incorporated verbatim herein and shall each be in full force and effect from the date of
220 execution and delivery thereof. The Intercreditor Agreement and the Consolidation Agreement shall be
221 substantially in the form on file with the City on the date hereof, which is hereby approved, with such
222 necessary variations, omissions, and insertions as are not materially inconsistent with such form and as
223 the Mayor and the City Manager, in their discretion, shall determine; provided that the execution
224 thereof by the Mayor and the City Manager shall be conclusive evidence of such determination. The
225 Mayor and the City Manager are hereby authorized and directed to execute and deliver all other
226 instruments and documents necessary to accomplish the purposes for which the Bonds are to be issued
227 and the Indenture, the Financing Agreement, the Intercreditor Agreement, the Consolidation Agreement
228 and the Bond Purchase Agreement are to be executed and delivered, including the Mortgage
229 Assignment and any other document related to the consolidation, amendment and restatement of the
230 outstanding mortgages related to the Project. The City Council hereby authorizes the preparation and
231 filing of Uniform Commercial Code financing statements (with respect to the assignment of the
232 interests of the City in the Financing Agreement, the Bond Mortgage Note, and the other loan
233 documents, other than the Unassigned Rights (as defined in the Indenture), to the Trustee, for the
234 benefit of the owners of the Bonds).

235 8. The City hereby consents to the preparation and distribution of an Official Statement
236 with respect to the offer and sale of the Bonds (the "Official Statement") as requested by the
237 Underwriter and the Borrower; provided that it is understood that the City has not been requested to
238 participate in the preparation of or to review the Official Statement and has not done so. The City has
239 made no independent investigation of the facts and statements set forth in the Official Statement;
240 accordingly, the City assumes no responsibility with respect thereto including, without limitation, as to
241 matters relating to the accuracy, fairness, completeness, or sufficiency of the Official Statement, except
242 any information specifically relating to the City under the heading "THE ISSUER" and "NO
243 LITIGATION-The Issuer" in the Official Statement.

244 9. The Mayor, the City Manager, and other officers of the City are authorized upon request
245 to furnish certified copies of all proceedings and records of the City relating to the Bonds, and such
246 other affidavits and certificates as may be required to show the facts relating to the Bonds as such facts
247 appear from the books and records in the officers' custody and control or as otherwise known to them;
248 and all such certified copies, certificates and affidavits, including any heretofore furnished, shall
249 constitute representations of the City as to the truth of all statements contained herein. Such officers,
250 employees, and agents of the City are hereby authorized to execute and deliver, on behalf of the City,
251 all other certificates, instruments, and other written documents that may be requested by bond counsel,
252 the Underwriter, the Trustee, Freddie Mac, or other persons or entities in conjunction with the issuance
253 of the Bonds and the expenditure of the proceeds of the Bonds. Without imposing any limitations on the
254 scope of the preceding sentence, such officers and employees are specifically authorized to execute and
255 deliver a certificate relating to federal tax matters including matters relating to arbitrage and arbitrage
256 rebate, a receipt for the proceeds derived from the sale of the Bonds, an order to the Trustee with
257 respect to the delivery of the Bonds and the application of the proceeds derived from the sale of the
258 Bonds, a general certificate of the City with respect to the issuance of the Bonds, and an Information
259 Return for Tax-Exempt Private Activity Bond Issues, Form 8038 (Rev. September 2007).

260 10. All covenants, stipulations, obligations, representations, and agreements of the City
261 contained in this resolution or contained in the Indenture or other documents referred to above shall be
262 deemed to be the covenants, stipulations, obligations, representatives, and agreements of the City to the
263 full extent authorized or permitted by law, and all such covenants, stipulations, obligations,
264 representations, and agreements shall be binding upon the City. Except as otherwise provided in this
265 resolution, all rights, powers, and privileges conferred, and duties and liabilities imposed, upon the City
266 by the provisions of this resolution or of the respective Indenture or other documents referred to above
267 shall be exercised or performed by the City, or by such officers, board, body, or agency as may be
268 required or authorized by law to exercise such powers and to perform such duties. No covenant,
269 stipulation, obligation, representation, or agreement herein contained or contained in the Indenture or
270 other documents referred to above shall be deemed to be a covenant, stipulation, obligation,
271 representation, or agreement of any elected official, officer, agent, or employee of the City in that
272 person's individual capacity, and neither the members of the City Council of the City nor any officer or
273 employee executing the Bonds shall be liable personally on the Bonds or be subject to any personal
274 liability or accountability by reason of the issuance thereof.

275 11. Except as herein otherwise expressly provided, nothing in this resolution or in tile
276 Indenture, expressed or implied, is intended or shall be construed to confer upon any person, fine, or
277 corporation other than the City, and the Trustee, as fiduciary for owners of the Bonds, any right,
278 remedy, or claim, legal or equitable, under and by reason of this resolution or any provision hereof or of
279 the Indenture or any provision thereof; this resolution, the Indenture and all of their provisions being
280 intended to be, and being for the sole and exclusive benefit of the City and the Trustee as fiduciary for
281 owners of the Bonds issued under the provisions of this resolution and the Indenture, and the Borrower
282 to the extent expressly provided in the Indenture.

283 12. In case any one or more of the provisions of this resolution, or of the documents
284 mentioned herein, or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid,
285 such illegality or invalidity shall not affect any other provision of this resolution, or of the
286 aforementioned documents, or of the Bonds, but this resolution, the aforementioned documents, and the
287 Bonds shall be construed and endorsed as if such illegal or invalid provisions had not been contained
288 therein. The terms and conditions set forth in the Indenture, the pledge of revenues derived from the
289 Project referred to in the Indenture, the pledge of collateral derived from the Project referred to in the
290 Indenture, the creation of the funds provided for in the Indenture, the provisions relating to the
291 application of the proceeds derived from the sale of the Bonds pursuant to and under the Indenture, and
292 the application of said- revenues, collateral, and other money are all commitments, obligations, and
293 agreements on the part of the City contained in the Indenture, and the invalidity of the Indenture shall
294 not affect the commitments, obligations, and agreements on the part of the City to create such funds and
295 to apply said revenues, other money, and proceeds of the Bonds for the purposes, in the manner, and
296 according to the terms and conditions fixed in the Indenture, it being the intention hereof that such
297 commitments on the part of the City are as binding as if contained in this resolution separate and apart
298 from the Indenture.

299 All acts, conditions, and things required by the laws of the State of Minnesota, relating to the adoption
300 of this resolution, to the issuance of the Bonds, and to the execution of the Indenture and the other
301 documents referred to above to happen, exist, and be performed

302 13. precedent to and in the enactment of this resolution, and precedent to the issuance of the
303 Bonds, and precedent to the execution of the Indenture and the other documents referred to above have
304 happened, exist, and have been performed as so required by law.

305 14. The members of the City Council of the City, officers of the City, and attorneys and
306 other agents or employees of the City are hereby authorized to do all acts and things required by them
307 by or in connection with this resolution and the Indenture and the other documents referred to above for
308 the full, punctual, and complete performance of all the terms, covenants, and agreements contained in
309 the Bonds, the Indenture, the Financing Agreement, and the other documents referred to above, and this
310 resolution.

311 15. The Mayor and the City Manager are hereby designated and authorized to take such
312 administrative actions as are permitted or required in connection with the issuance of the Bonds and
313 pursuant to the Indenture, the Financing Agreement, the Intercreditor Agreement, the Consolidation
314 Agreement, the Bond Purchase Agreement and the Mortgage Assignment.

315 16. The Mayor and the City Manager of the City are authorized and directed to execute and
316 deliver any and all certificates, agreements, or other documents which are required by the Indenture, the
317 Financing Agreement, the Bond Purchase Agreement, the Intercreditor Agreement, the Consolidation
318 Agreement or any other agreements, certificates, or documents which are deemed necessary by bond
319 counsel to evidence the validity or enforceability of the Bonds, the Indenture, or the other documents
320 referred to in this resolution, or to evidence compliance with Section 103(b)(4)(A) of the Internal
321 Revenue Code of 1954, as amended, and applicable Treasury Regulations promulgated thereunder, and
322 applicable provisions of Sections 141-150 of the Internal Revenue Code of 1986, as amended, and
323 applicable Treasury Regulations promulgated thereunder; and all such agreements or representations
324 when made shall be deemed to be agreements or representations, as the case may be, of the City.

325 17. If for any reason the Mayor is unable to execute and deliver those documents referred to
326 in this resolution, any other member of the City Council of the City, or any officer of the City duly
327 delegated to act on behalf of the Mayor, may execute and deliver such documents with the same force
328 and effect as if such documents were executed by the Mayor. If for any reason the City Manager
329 is unable to execute and deliver the documents referred to in this resolution, such documents may be
330 executed and delivered by any member of the City Council or any officer of the City duly delegated to
331 act on behalf of the City Manager, with the same force and effect as if such documents were executed
332 and delivered by the City Manager.

333 The motion for the adoption of the foregoing resolution was duly seconded by member
334 _____, and after full discussion thereof and upon vote being taken thereon, the
335 following voted in favor thereof:

336 and the following voted against the same:

337 whereupon said resolution was declared duly passed and adopted.

338 STATE OF MINNESOTA
339 COUNTY OF RAMSEY
340 CITY OF ROSEVILLE
341
342

343 I, the undersigned, being the duly qualified and acting Manager of the City of Roseville,
344 Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of
345 minutes with the original thereof on file in my office, and that the same is a full, true and complete
346 transcript of the minutes of a meeting of the City Council of said City duly called and held on the
347 date therein indicated, insofar as such minutes relate to the authorization of the issuance of the
348 \$23,390,000 Senior Housing Revenue Refunding Bonds (EagleCrest Project) Series 2009.

349 WITNESS my hand this ____ day of June, 2009.

350 _____
351 City Manager

352 (SEAL)
353
354