

## RESOLUTION

### Board of Hennepin County Commissioners

#### RESOLUTION: 25-0372

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At a meeting of the Board of Hennepin County Commissioners, a motion was made by Commissioner Goettel, and seconded by Commissioner Anderson, that the Resolution be adopted. The motion passed.

BE IT RESOLVED, by the Board of Commissioners (the "Board") of Hennepin County, Minnesota (the "County"), as follows:

1. Findings. Pursuant to authority granted by Minnesota Statutes, Section 373.40 and Chapter 475, the Board *deems* it necessary and expedient to issue and sell (i) approximately \$100,000,000 in principal amount of General Obligation Bonds, Series 2025A (the "Series 2025A Bonds"), to finance a portion of the estimated costs of acquisition and betterment, including necessary and incidental costs described in Minnesota Statutes, Section 475.65 for the capital improvements (the "Improvement Projects") included in the County's 2025-2029 Capital Improvement Plan (the "Capital Improvement Plan"); (ii) approximately \$93,000,000 of General Obligation Refunding Bonds, Series 2025C (the "Series 2025C Bonds") to refund prior to maturity, on a current refunding basis the 2026 through 2038 maturities of the General Obligation Bonds, Series 2018B (Variable Rate) (the "Series 2018B Bonds"); and (iii) approximately \$62,000,000 of General Obligation Refunding Bonds, Series 2025D (the "Series 2025D Bonds," and together with the Series 2025A Bonds and the Series 2025C Bonds, the "Bonds") to refund prior to maturity, on a current refunding basis (a) the 2026 through 2029 maturities of Taxable General Obligation Bonds, Series 2010C (Build America Bonds - Direct Payment) (the "Series 2010C Bonds") and (b) the 2030 through 2035 maturities of Taxable General Obligation Bonds, Series 2010D (Recovery Zone Economic Development Bonds - Direct Payment) (the "Series 2010D Bonds," and together with the Series 2010C Bonds, the "Series 2010 Bonds"), each dated as of September 15, 2010, contingent upon favorable market conditions, as determined by the Hennepin County Chief Financial Officer (the "Chief Financial Officer"), or the Hennepin County Administrator (the "County Administrator"), as further described below.

On April 29, 2025, the County held a public hearing on the proposed issuance of general obligation bonds of the County in the original aggregate principal amount of up to \$300,000,000, for the purpose, in part, of financing the Improvement Projects as designated in the Capital Improvement Plan.

2. Refunded Bonds.
  - (a) The Series 2018B Bonds (and together with the Series 2010 Bonds, the "Refunded Bonds") were issued to (i) provide financing of a portion of the estimated costs of acquisition and betterment, including necessary and incidental costs described in Minnesota Statutes, Section 475.65, for the capital improvements included in the County's 2018-2022 Capital Improvement Plan, (ii) refund the outstanding General Obligation Bonds, Series 2009B, dated December 1, 2009; and (iii) refund the outstanding General Obligation Bonds, Series 2013C (Variable Rate), dated December 3, 2013.
  - (b) The Series 2018B Bonds are subject to redemption prior to their respective maturity dates at the option of the County on any business day.

- (c) The Series 2010C Bonds were issued to provide financing of a portion of the costs of acquisition and betterment, including necessary and incidental costs described in Minnesota Statutes, Section 475.65, for the capital improvement projects included in the County's 2010 Capital Improvement Plan and certain library improvement projects of the County.
- (d) The Series 2010D Bonds were issued to provide financing of a portion of the costs of acquisition and betterment, including necessary and incidental costs described in Minnesota Statutes, Section 475.65, of the Lowry Avenue bridge as described in the County's 2010 Capital Improvement Plan,
- (e) The Series 2010 Bonds are subject to redemption prior to their respective maturity dates at any time following their issuance at the option of the County, upon payment of the "Make-Whole Redemption Price" as defined in the Series 2010C Bonds and the Series 2010D Bonds. Alternatively, the Series 2010 Bonds are also subject to extraordinary redemption at the option of the County, without premium, upon either a Determination of Ineligibility (as defined in the Series 2010C Bonds and the Series 2010D Bonds, respectively) or a failure by the U.S. Treasury to pay the credit, in whole or in part, due to the County as provided in Section 6431 of the Code, as of the date of the issuance of the Series 2010 Bonds. The U.S. Treasury has reduced the amount of credit paid to the County, and therefor has failed, in part, to pay the credit due to the County as of the date of the issuance of the Series 2010 Bonds.

3. Determinations of the Board. The Board has made all necessary investigation and hereby finds and determines as follows:

- (a) The Bonds shall be dated the date of issuance and shall bear interest at the rates determined by the successful proposer, payable semiannually on June 1 and December 1 in each year, commencing June 1, 2026, as set forth in the Certificate as to Terms of Bond Sale and Levy of Taxes (the "Certificate") to be executed at closing by the Chair, the County Administrator, or the Chief Financial Officer. Execution of the Certificate or Certificates upon closing shall be conclusive evidence of the final adoption of the terms contained therein. The terms of the Certificate, when approved and finalized as evidenced by execution of the Certificate, are incorporated herein by reference. The method and date of redemption of the Refunded Bonds (the "Redemption Date") shall be selected by the Chief Financial Officer.
- (b) The Bonds shall mature on the dates and in the amounts set forth in the Official Terms and Conditions of Bond Sale, and as described in the Certificate; provided, however, the total principal amount of the Series 2025A Bonds shall not exceed \$100,00,000, the total principal amount of the Series 2025C Bonds shall not exceed \$93,000,000, and the total principal amount of the Series 2025D bonds shall not exceed \$62,000,000, subject to adjustment for a premium sale price as permitted pursuant to Minnesota Statutes, Section 475.60, and the inclusion of costs of issuance as permitted pursuant to Minnesota Statutes, Section 475.67. The final maturity of the Series 2025A Bonds shall be not later than December 1, 2045. The final maturity of the Series 2025C Bonds shall be not later than December 1, 2038. The final maturity of the Series 2025D Bonds shall be not later than December 1, 2035.
- (c) The maximum principal and interest to become due in any year on the Bonds and all other outstanding capital improvement bonds shall not exceed an amount equal to 0.12 percent of market value of all taxable property in the County.
- (d) The Chief Financial Officer may permit prospective proposers to designate any portion of the principal of a series of Bonds to be combined within one or more term bonds subject to

mandatory sinking fund redemption. The Bonds shall be subject to redemption and prior payment at the option of the County in whole or in part in such order of maturity as the County may determine on the date, at the price, and for the maturities provided in the Official Terms and Conditions of Bond Sale. Thirty days' mailed notice of any such redemption shall be given to the registered owners of the Bonds pursuant to Minnesota Statutes, Chapter 475. The Bonds shall be numbered from R-1 upwards in order of issuance or in such other order as the Bond Registrar may determine and shall be in denominations of \$5,000 each or any integral multiple thereof.

- (e) The Chief Financial Officer or the County Administrator may re-designate the Bonds authorized hereby as "General Obligation Bonds, Series 2025\_\_\_\_" or "General Obligation Refunding Bonds, Series 2025\_\_\_\_" completing the blank with an uppercase letter as appropriate for the order of such issuance and to eliminate any gaps in the designation of such series caused by the determination not to issue and sell any series of bonds, to issue and sell any series of bonds at a different time, to issue the Bonds in one or more series, or to not issue and sell any other series of bonds being considered by the County, including the General Obligation Bonds, Series 2025B.

4. Bond Sale. Electronic proposals for the Bonds will be received on a date and time determined by the Chief Financial Officer. The Board hereby delegates to the Chief Financial Officer, or his designee, authority to consider the proposals and award the sale to the best proposal, provided the true interest cost of each Series of Bonds does not exceed 5.00% per annum and the issuance of the Series 2025C Bonds and the Series 2025D Bonds results in (a) the reduction of debt service cost to the County or (b) the extension or adjustment of maturities in relation to the resources available for the payment of the Refunded Bonds. The Board hereby determines to sell the Bonds in accordance with the procedures set forth in the Official Terms and Conditions of Bond Sale. The County has retained PFM Financial Advisors LLC, Minneapolis, Minnesota ("PFM"), as independent municipal advisor, and pursuant to Minnesota Statutes, Section 475.60, Subdivision 2, paragraph (9), PFM is hereby authorized to solicit proposals for the Bonds on behalf of the County. The specifications set forth in the Official Terms and Conditions of Bond Sale may be revised by the Chief Financial Officer in consultation with PFM.

5. Registrar and Paying Agent. The Chief Financial Officer is hereby designated to act on behalf of the County as Bond Registrar, Transfer Agent and Paying Agent (the "Bond Registrar") for the Bonds.

6. Official Statement. The County staff, in cooperation with PFM, is hereby authorized and directed to prepare on behalf of the County an official statement to be distributed to potential purchasers of the Bonds. Such official statement shall contain the Official Terms and Conditions of Bond Sale for the Bonds, as set forth above, and such other information as shall be deemed advisable and necessary to describe adequately the County and the security for, and terms and conditions of, the Bonds. The final Official Statement shall be in the form approved by the County Administrator or Chief Financial Officer.

7. Continuing Disclosure. The Official Statement will contain an undertaking by the County to execute and deliver a Continuing Disclosure Certificate, substantially in the form approved by the County Administrator or the Chief Financial Officer. The Chief Financial Officer shall have overall responsibility for compliance with the Continuing Disclosure Certificate and other similar undertakings hereafter made by the County under Rule 15c2-12(b)(5) of the Securities and Exchange Commission, and the Chief Financial Officer shall implement the dissemination of reports and notices thereunder. Amendments to the Continuing Disclosure Certificate permitted by the undertakings may be made by the Chief Financial Officer. The Continuing Disclosure

Certificate may be executed by the Chief Financial Officer or the County Administrator. The Continuing Disclosure Certificate proposed to be executed and delivered in connection with the Bonds is hereby approved and the undertakings set forth therein shall be deemed covenants for the benefit of the holders of the Bonds.

8. Ratings. The County staff is authorized and directed to obtain ratings of the Bonds from up to three nationally recognized credit rating services, to pay the reasonable and customary charges of such rating services, and to take such other actions as may be required so that the Bonds may be issued and sold as contemplated hereby.
9. Tax Levies.
  - (a) To pay the principal of and interest on the Bonds there is hereby levied upon all of the taxable property in the County a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general taxes of the County and shall be paid into the Debt Service Fund (in any subaccount deemed desirable), which tax is collectible in the years and amounts equal to 105% of the principal and interest on the Bonds due in each year.
  - (b) It is hereby estimated that all such taxes described above, if collected in full, will produce amounts sufficient to pay 105% of principal of and interest on each series of the Bonds when due. However, the Bonds are general obligations of the County, to the payment of which the full faith and credit and taxing power of the County are pledged, and the County will levy a general ad valorem tax on all taxable property in the County, if required for the purpose, without limitation as to rate or amount.
  - (c) The taxes required to be levied hereby and other funds appropriated to the Debt Service Fund for payment of the Bonds shall be held and used for no other purpose than to pay principal of and interest on the Bonds; provided, however, that if any payment of principal or interest shall become due when there is not sufficient money in the Debt Service Fund to pay the same, the County shall pay such principal or interest from the General Fund of the County and the General Fund may be reimbursed for such advances out of the proceeds of taxes herein required to be levied.
10. Application of Proceeds. On the date of delivery of the Bonds, the proceeds of the sale of the Bonds, together with amounts available in the Debt Service Funds established for the Refunded Bonds, shall be used by the County as follows:
  - (a) To pay for, or reimburse the County for payment of, the costs of the Improvement Projects.
  - (b) To be applied to the refunding of the Refunded Bonds in an amount sufficient, with other available amounts, to pay outstanding principal and interest thereon (and premium, if any) on the Refunded Bonds to and including the Redemption Date.
  - (c) To pay costs of issuance of the Bonds.
  - (d) Any accrued interest received from the purchaser of the Bonds, or any proceeds of the Bonds not needed for the above-mentioned uses, shall be deposited in the Debt Service Fund, to be used to pay interest on the Bonds.
11. Refunding Fund and Escrow Agreement. The County will deposit the proceeds of the Series 2025C Bonds and Series 2025D Bonds, and such additional sums as may be necessary, into a

Refunding Fund held by the County or pursuant to one or more Escrow Agreement(s) (each, an "Escrow Agreement") between the County and a suitable banking institution. Such amounts will be sufficient to pay principal, interest, and premium (if any) on the Refunded Bonds to and including the Redemption Date and shall be used exclusively for such purpose. If utilized, the Escrow Agreements shall be executed by the Chair and the County Administrator (or their designees) in such form as shall be approved by the officers executing the same, which approval shall be conclusively evidenced by the execution thereof. If the Bonds are issued to refund the Refunded Bonds, as determined by the Chief Financial Officer or the Hennepin County Administrator, the outstanding maturities of the Refunded Bonds shall be called for prior redemption on the Redemption Date. Notice of such redemption shall be given as directed by the Chief Financial Officer. Taxes levied for payment of Refunded Bonds following their Redemption Date may be cancelled to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

12. Defeasance. When any Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this Resolution to the holders of such Bonds shall cease, and such Bonds shall no longer be deemed to be outstanding under this Resolution. The County may discharge its obligations with respect to any Bond which is due on any date by depositing with the Paying Agent on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Paying Agent a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The County may also discharge its obligations with respect to any prepayable Bond according to its terms, by depositing with the Paying Agent on or before that date an amount equal to the principal, interest and redemption premium, if any, to become due thereon to maturity or the redemption date, provided that notice of such redemption has been duly given as provided herein. The County may also at any time discharge its obligations with respect to any Bond, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or irrevocable direct obligations of, or obligations fully guaranteed by, the United States of America, which are authorized by law to be so deposited, bearing interest payable at such times and at such rates and maturing on such dates and in such amounts as shall be required to pay all principal, interest and redemption premiums to become due thereon to maturity or the redemption date.
13. Tax Covenants. The County shall not take or permit any action that would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The County shall comply with the rebate requirements imposed under Section 148(f) of the Code and regulations thereunder, including (if applicable) the requirement to make periodic calculations of the amount subject to rebate thereunder and the requirement to make all required rebates to the United States with respect to the Bonds. In addition, the County shall make no investment of funds that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The Chief Financial Officer or County Administrator is authorized to make any elections or allocations relating to the Bonds and proceeds thereof which are permitted or required under the Code. All terms used in this paragraph 13 shall have the meanings provided in the Code and applicable Treasury Regulations thereunder.
14. Beneficiaries. The provisions of this Resolution shall be deemed covenants for the benefit of the registered owners, from time to time, of the Bonds.
15. Other Matters. As authorized by Minnesota Statutes, Section 475.60, this Board hereby delegates to the Chief Financial Officer authority to approve the final terms of a bid acceptance

form or Purchase Agreement (if any), in consultation with PFM and Taft Stettinius & Hollister LLP, as bond counsel to the County ("Bond Counsel"). The Chair, the County Administrator, and the Chief Financial Officer, and their respective designees are further authorized and directed to take all necessary actions to cause the Bonds to be issued, executed and delivered as provided in this Resolution, and to prepare and furnish to the purchaser and Bond Counsel, certified copies of all proceedings and records relating to the issuance of the Bonds and to the right, power and authority of the County and its officers to issue the same, and said certified copies and certificates shall be deemed to be representations of the County as to all matters stated therein. The Chair, the County Administrator, and the Chief Financial Officer, and their designees are further authorized to take such other actions as may be required to effectuate the terms and intent of this Resolution.

The County Administrator shall furnish a certified copy of this Resolution, together with additional details of the terms of the sale and related tax levies, to the Hennepin County Auditor, and obtain the certificate required by Minnesota Statutes, Section 475.63.

16. Controller Actions. The Controller is hereby authorized to transfer and disburse funds as necessary to carry out the intent of this Resolution. The Controller is further authorized to adjust the 2025 or 2026 debt service budget and any other budget to reflect the issuance of the Bonds or the refunding or defeasing of bonds or as otherwise necessary to carry out the intent of this Resolution.

#### RESOLUTION ADOPTED ON 10/14/2025

The question was on the adoption of the resolution with the votes as follows:

**Aye:** 6 Commissioner Fernando, Commissioner Conley, Commissioner Lunde, Commissioner Edelson, Commissioner Anderson, and Commissioner Goettel

**Absent:** 1 Commissioner Greene

**Maria Rose**



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Maria Rose