

Minutes

**Special Meeting
Monday, July 16, 2012
10:30 a.m.**

**Second Floor Commissioner's Room
Court House, Detroit Lakes, MN**

Meeting called by: Heath Peterson, President
Type of meeting: Special Meeting
Attendees: John Okeson, Heath Peterson, Mike Maloney, Chuck Jost;
Staff present: Jon Thomsen
Board Members Absent: Barry Nelson, Paul Joyce, Abby Anderson

Agenda topics

- 1. Call Special Meeting to order:** President H Peterson called the meeting to order at 10:32 am.
- 2. Approval of the Special Meeting Agenda: Motion** and second to approve the Special Meeting Agenda (M Maloney, C Jost), carried.
- 3. Resolution – Public Facilities Lease and Revenue Bonds:** Member Mike Maloney introduced the following resolution and moved its adoption:

RESOLUTION AUTHORIZING TERMINATION OF A LEASE AGREEMENT, GROUND LEASE AGREEMENT AND AUTHORIZING EXECUTION OF AN ESCROW AGREEMENT RELATING TO THE ISSUANCE BY BECKER COUNTY, MINNESOTA, OF ITS \$5,555,000 GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, 7-16-12,

A. WHEREAS, Becker County, Minnesota (the "County") proposes to issue its \$5,555,000 General Obligation Capital Improvement Plan Bonds, Series 2012A (the "Bonds") to finance the acquisition of the County Courthouse (the "County Courthouse") from the Economic Development Authority of Becker County, Minnesota (the "Authority"); and

B. WHEREAS, the proposed purchase price for the County Courthouse is an amount equal to the outstanding principal of and interest on the Authority's \$995,000 original principal amount Public Facilities Lease Revenue Bonds, Series 2007A (Becker County, Minnesota Lease Obligation), dated April 24, 2007 (the "Prior Bonds") issued pursuant to the Indenture of Trust adopted by the Authority's Board of Commissioners on April 24, 2007 (the "Prior Indenture").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE ECONOMIC DEVELOPMENT AUTHORITY OF BECKER COUNTY, MINNESOTA, as follows:

1. Callable Prior Bonds. \$3,950,000 aggregate principal amount of the Prior Bonds which matures or is subject to mandatory redemption on and after February 1, 2017 is callable on February 1, 2016 (the "Callable Prior Bonds"), the refunding of the Callable Prior Bonds is consistent with covenants made with the holders of the Prior Bonds, and is necessary and desirable for the reduction of debt service cost to the County.

2. Noncallable Prior Bonds. \$1,060,000 aggregate principal amount of the Prior Bonds (the "Noncallable Prior Bonds"), is not callable, but the payment of the Noncallable Prior Bonds on February 1, 2013, February 1, 2014, February 1, 2015 and on February 1, 2016, respectively, is also consistent with covenants made with the holders of the Noncallable Prior Bonds.

3. Escrow Agreement. The Noncallable Prior Bonds shall be paid and the Callable Prior Bonds shall be redeemed and prepaid in accordance with the terms and conditions set forth in the Escrow Agreement, dated as of July 10, 2012 (the "Escrow Agreement") by and between the County, the Authority and U.S. Bank National Association, in St. Paul, Minnesota (the "Escrow Agent"), in substantially the form submitted to the Board of Commissioners. The terms and conditions of the Escrow Agreement are hereby approved and incorporated herein by reference. The Authority hereby approves the execution by the President and Secretary on behalf of the Authority of the Escrow Agreement.

1. Prepayment of Purchase Option Price. As provided in Section 4.6 of the Lease Agreement between the County and the EDA, dated as of April 24, 2007 (the "Lease") to prepay the Purchase Option Price (as defined in the Lease), the Authority hereby determines and declares that upon the issuance of the Bonds and the funding of the Escrow Deposit as provided in the Escrow Agreement, the Lease and the Ground Lease Agreement shall be terminated and the Authority shall have no further right, title or interest in and to the County Courthouse.

2. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

3. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member John Okeson and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Heath Peterson, John Okeson, Chuck Jost & Mike Maloney, the following voted against the same: No one.

Whereupon the resolution was declared duly passed and adopted.

4. Adjourn: The meeting adjourned at 10:37 a.m.

ATTEST:

Respectfully submitted:

/s/ _____ Jon Thomsen
Housing Director

/s/ _____ Heath Peterson
EDA Board President