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Date December 6, 2010
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RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$6,000,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF DES MOINES, IOWA FLOATING RATE DEMAND COMMERCIAL DEVELOPMENT REFUNDING REVENUE BONDS (EAST GRAND OFFICE PARK PROJECT) SERIES 2010; THE EXECUTION AND DELIVERY OF A TRUST INDENTURE TO SECURE SAID BONDS; THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BETWEEN THE CITY OF DES MOINES AND EAST GRAND OFFICE PARK L.P. PROVIDING FOR THE REPAYMENT OF THE LOAN OF THE PROCEEDS OF SAID BONDS AND THE SECURING OF SAID REPAYMENT OBLIGATION; THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT RELATING TO THE SALE OF SAID BONDS; AND RELATED MATTERS.

WHEREAS, the City of Des Moines, Iowa (the "Issuer") is an incorporated municipality authorized and empowered by the provisions of Chapter 419 of the Code of Iowa (the "Act") to issue revenue bonds and to loan the proceeds to one or more parties to be used to pay the cost of acquiring, constructing, installing and equipping a "project", as that term is defined in the Act, and refunding any outstanding bonds issued under the Act; and

WHEREAS, the Issuer previously issued its Floating Rate Monthly Demand Commercial Development Revenue Bonds (East Grand Office Park Project) Series 1985 (the "Prior Bonds") in the original principal amount of \$8,000,000, the proceeds of which were loaned to East Grand Office Park, L.P., an Iowa limited partnership (the "Borrower"), for purposes of financing a "project"; and

WHEREAS, the Borrower expects to cause the Prior Bonds to be paid down to an outstanding amount of \$6,000,0000 on or prior to the date of delivery of the Bonds (defined below); and

WHEREAS, the Issuer has been requested by the Borrower to authorize and issue its revenue bonds pursuant to the provisions of the Act for the purpose of financing the costs of refunding all or a portion of the Issuer's outstanding Prior Bonds; and

December 6, 2010
Date

WHEREAS, the Issuer has determined that the amount necessary for the foregoing purposes require the issuance by the Issuer of its Floating Rate Demand Commercial Development Revenue Bonds (East Grand Office Park Project) Series 2010, in an aggregate principal amount of not to exceed \$6,000,000 (the "Bonds") pursuant to the provisions of the Act, which Bonds will be issued under a Trust Indenture dated as of December 1, 2010 (the "Indenture") between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and it is proposed that the Issuer loan said amount to the Borrower under a Loan Agreement dated as of December 1, 2010 (the "Loan Agreement") between the Issuer and Borrower, pursuant to which loan payments will be made by the Borrower in amounts sufficient to pay the principal of and interest and premium, if any on the Bonds, as and when the same shall be due; and

WHEREAS, the Borrower shall cause to be delivered on the date of delivery of the Bonds a direct-pay letter of credit to be issued by Great Western Bank and a confirming letter of credit to be issued by the Federal Home Loan Bank of Des Moines as security for the Bonds; and

WHEREAS, the Issuer proposes to sell the Bonds to Stern Brothers & Co. (the "Underwriter").

NOW, THEREFORE, Be It Resolved by the City Council of Des Moines, Iowa, as follows:

Section 1. In order to provide for the refunding of the Prior Bonds, the Bonds are hereby authorized and ordered to be issued pursuant to the Indenture in substantially the form as has been presented to and considered by this Council and containing substantially the terms and provisions set forth therein, with such changes therein as shall be approved by the officers of the Issuer executing the Bonds, and the forms, terms and provisions of the Bonds and the Indenture are hereby approved, and the Mayor and the City Clerk are hereby authorized and directed to execute, attest, seal and deliver the Indenture, and the Mayor and the City Clerk are further authorized and directed to execute, attest, seal and deliver the Bonds as provided in the Indenture, including the use of facsimile signatures as therein provided; the Bonds shall be in an aggregate principal amount of not to exceed \$6,000,000

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and shall bear interest initially at a variable rate not to exceed 10% per annum, shall be sold at such prices, shall mature on the dates and in the amounts and shall be subject to redemption on such dates and in such amounts as provided in the Indenture. The execution and delivery by the Mayor and City Clerk of the Indenture on behalf of the Issuer shall constitute approval by the Issuer of such interest rates, aggregate principal amount, and provisions thereof.

Section 2. The Issuer shall loan the proceeds of the Bonds to the Borrower to provide for the refunding of the Prior Bonds, such loan of the proceeds of the Bonds to be pursuant to the Loan Agreement in substantially the form as has been presented to and considered by this Board and containing substantially the terms and provisions set forth therein, and the form, terms and provisions of the Loan Agreement are hereby approved, and the Mayor and the City Clerk are hereby authorized and directed to execute, attest, seal and deliver the Loan Agreement.

Section 3. The sale of the Bonds to the Underwriter pursuant to the Bond Purchase Agreement (the "Bond Purchase Agreement"), by and among the Issuer, the Borrower and the Underwriter, within the parameters set forth in Section 1 hereof and in substantially the form as has been presented to this Council and containing substantially the terms and provisions set forth therein, but with such changes therein as shall be approved by the officers executing the Bond Purchase Agreement on behalf of the Issuer, is hereby authorized and approved and the form, terms and provisions of the Bond Purchase Agreement are hereby approved, and the execution and delivery of the Bond Purchase Agreement by the Mayor are hereby authorized and approved.

Section 4. The use by the Underwriter of the Official Statement, with such changes and additions as are necessary to reflect the final terms of the transaction (the "Official Statement") in connection with the purchase of the Bonds is hereby authorized and approved; provided such authorization and approval shall not be deemed to include authorization and approval of information contained in the Official Statement other than information describing the Issuer, but nothing contained in this Resolution shall be construed as prohibiting or limiting the Underwriter and the Borrower from including such information as they deem appropriate.

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Section 5. The Tax Certificate (the "Tax Certificate") among the Borrower and the Issuer in substantially the forms as have been presented to this Council and containing substantially the terms and provisions set forth therein, but with such changes therein as shall be approved by the officers executing the Tax Certificate on behalf of the Issuer, are hereby authorized and approved and the form, terms and provisions of the Tax Certificate are hereby approved, and the execution and delivery of the Tax Certificate by the Mayor and City Clerk is hereby authorized and approved.

Section 6. It is hereby found, determined and declared that the Bonds and interest and premium, if any, thereon shall never constitute the debt or indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation and shall not constitute nor give rise to a pecuniary liability of the Issuer or a charge against its general credit or taxing powers, but the Bonds and interest and premium, if any, thereon shall be payable solely and only from the revenues derived from the Loan Agreement and the debt obligations of the Borrower thereunder; and no part of the refunding of the Prior Bonds will be payable out of the general funds or other contributions of the Issuer except the proceeds of the Bonds and any subsequent issues of bonds permitted under the Loan Agreement and the Indenture.

Section 7. The Mayor and the City Clerk are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bonds and the execution and delivery of the Loan Agreement, the Indenture, the Tax Certificate and the Bond Purchase Agreement, and to carry out the intent and purposes of this Resolution, including the preamble hereto; and the execution by the Mayor and, if required, the City Clerk, of the Bonds, the Indenture, the Loan Agreement, the Tax Certificate and the Bond Purchase Agreement shall constitute conclusive evidence of their approval and this City Council's approval thereof and of any and all changes, modifications, additions or deletions therein from the respective forms thereof now before this meeting.

Section 10. The provisions of this Resolution are hereby declared to be separable and if any action, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

★ **Roll Call Number**

Agenda Item Number

42

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Date December 6, 2010

Section 11. This Resolution shall become effective immediately upon its passage and approval.

Moved by: _____ to adopt.

Form approved: _____
 Deputy City Attorney

(Council Communication No. 10-734)

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GRIESS				
HENSLEY				
MAHAFFEY				
MEYER				
MOORE				
TOTAL				
MOTION CARRIED	APPROVED			

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

5

 Mayor

 City Clerk