AGENDA
CHASKA ECONOMIC DEVELOPMENT AUTHORITY
CHASKA CITY HALL - COUNCIL CHAMBERS & ZOOM
Monday, January 27, 2025
IMMEDIATELY FOLLOWING CITY COUNCIL MEETING

1. Call to Order
2. Roll Call
3. Adopt Agenda
4. Approve Previous Meeting Minutes
   4.A. Meeting Minutes from 01-06-2025
5. Discussion Items
   5.A. Assignment and Assumption of Lease Agreement for 314 Walnut Street North
   5.B. Adopt EDA Resolution No. 2025-09 Ratification of Bond Sale - Lease Revenue Refunding Bonds, Series 2025B
6. Other Business
7. Adjourn

DRAFT

- MINUTES -
CHASKA ECONOMIC DEVELOPMENT AUTHORITY
JANUARY 6, 2025

1. Call to Order
President Hubbard called the meeting to order at 7:39 p.m.

2. Roll Call
Roll call was taken. Present: President Hubbard and Commissioners Benesh, Hatfield, Grau, and Sheveland.

Absent: None.

Also Present: Matt Podhradsky, Executive Director and Elise Durbin, Assistant Executive Director.

3. Agenda
Motion by Commissioner Hatfield, second by Commissioner Benesh to adopt the agenda as presented.
Motion carried.

4. Minutes
4.A. Approve EDA Meeting Minutes of 16-12-2024
Motion by Commissioner Sheveland, second by Commissioner Grau to approve the minutes of the December 16, 2024, EDA Meeting Minutes.
Motion carried.

5. Discussion Items
5A. Adopt EDA Resolution 2025-6 Amending Resolution Authorizing Issuance of $6,080,000 EDA Lease Revenue Refunding Bonds, Series 2025B
Motion by Commissioner Benesh, second by Commissioner Hatfield to adopt Resolution No. 2025-6 Amending Resolution Authorizing Issuance and Providing for Sale of EDA Lease Revenue Refunding Bonds, Series 2025B.
Motion carried.

6. Action Items
6A. Authorize a Contract with the Musicant Group to Develop a Downtown Chaska Activation Plan
Executive Director Podhradsky introduced and Assistant Executive Director Durbin provided an overview of this item.

Commissioner Hatfield noted the item is a great way to support local business owners. The Downtown Business Alliance fully supports the proposal.

Commissioner Grau asked if the contract would be repeated in future years. Assistant Executive Director Durbin explained the City will receive a toolkit at the end of the contract period to continue implementing activation strategies.

Commissioner Grau asked how Chaska plans to measure the success of the effort. Assistant Executive Director Durbin stated a success would be the opportunity for local businesses to implement strategies from the toolkit.

Commissioner Hatfield pointed out the 50th and France area implemented a similar activation plan, and they have statistics to show the positive impact.

Executive Director Podhradsky added the plan and subsequent toolkit shows the City's commitment to supporting businesses beyond just providing infrastructure.

Commissioner Benesh stated that increased revenue for businesses would also reflect success.

Commissioner Sheveland asked if the project was put out for bid. Assistant Executive Director Durbin stated there was not a bid put out. The Musicant Group is a very specialized group that has been a great partner to Chaska previously.

Commissioner Sheveland asked if Staff or Musicant has looked into successful efforts in nearby cities. Assistant Executive Director Durbin confirmed Staff has provided information about neighboring areas and events.

President Hubbard added an outside perspective can be refreshing and impactful.

Motion by Commissioner Hatfield, second by Commissioner Benesh to authorize the Executive Director and Assistant Executive Director to negotiate and the President and Executive Director to execute a Contract with Musicant Group to develop a Downtown Chaska Activation Plan in an amount not to exceed $30,400.
Motion carried.

7. Other Business
There was no other business.

8. Adjourn
Motion by Commissioner Hatfield, second by Commissioner Grau to adjourn the meeting at 7:58 p.m.
Motion carried.

REQUEST FOR ACTION
CHASKA ECONOMIC DEVELOPMENT AUTHORITY
1/27/2025

Subject: **Assignment and Assumption of Lease Agreement for 314 Walnut Street North**

Prepared By: Elise Durbin, Assistant Executive Director

Background

In the 1960's the property at 314 Walnut Street North was deeded to the city by the Klein family. Over time, the property has been used as City Hall, the library, Carver-Scott Co-op Learning Center, before it was renovated in the early 2000's and leased out. It was first leased to the Peacock Inn Bed and Breakfast and has been leased to NorthStar Regional since 2011. The current lease agreement with NorthStar Regional is effective from May 1, 2022 until April 30, 2027.

Request

In late 2024, the City was approached by NorthStar Regional requesting an assignment of their existing lease to NSR MSO, LLC. NorthStar Regional has undergone some internal re-organization and as a result set up their own Management Company. They are requesting that the current lease be assigned to the management company.

Recommendation

Staff in coordination with the City Attorney have reviewed the request and found it to be acceptable. No other lease terms change with this assignment.

EDA ACTION REQUESTED

Motion authorizing the President and Executive Director to execute the Assignment and Assumption of Lease Agreement with NorthStar Regional and NSR MSO, LLC pertaining to property located at 314 Walnut Street.

ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT (this "Agreement") is entered into on 1/1/25, by and among the Chaska Economic Development Authority, a body corporate and politic under the laws of the State of Minnesota ("Landlord"), Northstar Regional, a Nevada corporation ("Assignor"), and NSR MSO, LLC, a Minnesota limited liability company ("Assignee").

RECITALS

A. Landlord, as landlord, and Assignor, as tenant, are the current parties to that certain Lease Agreement dated April 12, 2022 (the "Lease") whereby Assignor leases from Landlord certain premises located at 314 Walnut Street, as more particularly described in the Lease (the "Premises").

B. Assignor is completing an internal reorganization pursuant to which certain of its rights and obligations, including its rights and obligations under the Lease, are being assigned to Assignor (the "Reorganization"), effective as of the date of the closing of the Reorganization (the "Effective Date") which is expected to occur on or about December 31, 2024.

C. As of the Effective Date, Assignor desires to assign to Assignee, and Assignee desires to assume from Assignor, Assignor's right, title, interest, duties, liabilities and obligations under the Lease arising from and after the Effective Date (the "Assignment").

D. Following the Effective Date Assignee and Assignor expect to operate the businesses of Assignor and Assignee in the same manner as they operated prior to the Reorganization.

E. Landlord is willing to consent to the Assignment, including the Reorganization, on the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Recitals; Defined Terms. The recitals set forth above are true and correct in all material respects. Capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Lease.

2. Assignment and Assumption. Effective as of the Effective Date, (i) Assignor assigns and transfers to Assignee Assignor's right, title and interest in and to the Lease and to the Premises, and (ii) Assignee accepts the foregoing assignment and assumes and agrees to perform all of Assignor's covenants and obligations under the Lease, assumes Assignor's liabilities and obligations and rights, title and interest under the Lease and to the Premises, and shall be the "Tenant" or "Lessee" under the Lease. Notwithstanding anything to the contrary in this

Agreement, this assignment shall not release Assignor from its obligations under the Lease, and Assignor shall retain the obligation to perform its obligations under the Lease in the event that Assignee is in default thereof.

3. Consent to Assignment. Landlord does hereby acknowledge and consent to the Assignment from Assignor to Assignee and agrees that this Agreement shall satisfy any requirements under the Lease with respect to such Assignment and the Reorganization notwithstanding anything to the contrary in the Lease. From and after the Effective Date, the Lease shall be of no further force and effect with respect to Assignor.

4. Representations. Assignor, Assignee, and Landlord acknowledge and agree as follows: (a) the Lease is the entire agreement between Landlord and Assignor with regard to the lease of the Premises; (b) neither Assignor nor Landlord is in default under the Lease and no facts are known which with the passage of time would be a default under the Lease; (c) the Lease term currently expires April 1, 2027; and (d) except as otherwise set forth in this Agreement, the Lease is hereby ratified and affirmed and remains in full force and effect; provided, however, that from and after the Effective Date the address of Assignee set forth in this Agreement shall be deemed the address of the "Tenant" or "Lessee" under the Lease for all purposes thereunder, and any notices required to be given by Landlord under the Lease shall be provided both to Assignee and Assignor.

5. Authority. Each of Landlord, Assignor and Assignee represents and warrants to the other parties hereto that the individual signing on its behalf has the power and authority to bind such party.

6. Third Party Consents. Each of Landlord, Assignor and Assignee represents and warrants to the other parties that all consents required, if any, from lenders, mortgagees, ground owners, and/or any other holders of liens or encumbrances on, against or affecting the Premises have been obtained for the execution and performance of this Agreement.

7. Notices. From and after the Effective Date, all notices to Assignee, as Tenant or Lessee under the Lease, shall be sent in the manner set forth in the Lease to:

NSR MSO, LLC
500 Marschall Rd, Ste 300
Shakopee, MN 55379

8. Miscellaneous. This Agreement may be executed in any number of counterparts, all of which together shall be deemed to constitute one instrument, and each of which shall be deemed an original. The parties hereto agree that the signature of a party sent electronically shall be valid and sufficient to bind the applicable party to the provisions of this Agreement and any consent thereto. This Agreement shall be governed by and construed under the laws of the State of Minnesota, without regard to its conflicts of law principles. This Agreement shall be binding upon and inure to the benefit of Landlord, Assignor, Assignee and their respective heirs, legal representatives, and permitted successors and assigns. The parties agree to take all such further

actions and execute, acknowledge and deliver all such further documents that are reasonably necessary or useful in carrying out the purposes of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS HEREOF, Landlord, Assignor and Assignee have executed this Assignment and Assumption of Lease Agreement, effective as of the Effective Date.

ASSIGNOR:

NORTHSTAR REGIONAL

By: ________________________
Name: Jason Vanderscoff
Title: CEO

ASSIGNEE:

NSR MSO, LLC

By: ________________________
Name: Jason Vanderscoff
Title: CEO

LANDLORD:

Chaska Economic Development Authority

By: __________________________
Name: Taylor Hubbard
Title: President

By: __________________________
Name: Matthew Podhradsky
Title: Executive Director

[Signature page to Assignment and Assumption of Lease Agreement]

4897-6945-6128\1

REQUEST FOR ACTION
CHASKA ECONOMIC DEVELOPMENT AUTHORITY
1/27/2025

Subject: **Adopt EDA Resolution No. 2025-09 Ratification of Bond Sale - Lease Revenue Refunding Bonds, Series 2025B**

Reviewed by: Noel Graczyk, Administrative Services Director
Prepared by: Erica Mattice, Finance Division Director

Background
On Wednesday, January 8, 2025, the Chaska EDA, at the request of the City of Chaska, completed issuance and sale of EDA Lease Revenue Refunding Bonds, Series 2025B. This series of bonds was sold through direct placement with D.A. Davidson & Co. as the selected underwriter. This series of bonds was used to refund EDA Lease Revenue Bonds Series, 2015B. Proceeds from the 2015B Bonds were used to finance park improvements at Firemans Park as part of the Curling and Event Center project. At this time, the City Council will need to take action to ratify the completed bond sale.

Authorization for issuance of these bonds was previously established by resolutions adopted by both the City and the Chaska EDA on December 16, 2024, and January 6, 2025. These resolutions establish maximum parameters to permit the issuance and completion of sale for these bonds. Parameters as established were a PAR amount not to exceed $7,000,000 and a Net Present Value (NPV) in Debt Service (DS) savings of at least $1,000,000. Here is a summary of the issuance process and final sale results.

Issuance Process	PAR Amount	NPV DS Savings
Parameter Resolutions	$7,000,000 Maximum	$1,000,000 Minimum.
Offering Documents	$6,080,000	N/A
Final Agreement with D.A Davidson & Co.	$6,125,000	$1,327,763

As part of offering bonds for sale, the City and the EDA issued several primary disclosure documents. The following documents are attached for review and ratification.

1. S&P Global Rating Report
    - This document assigns a "AA-", "Stable" rating to the bonds
    - It also affirms the "AA-", "Stable" rating on outstanding Lease Revenue debt.
2. Final Official Statement
    - Offering document for sale of bonds
    - Includes the "AA-", "Stable" rating from S&P Global

Staff Recommendation

The action before the EDA will be to ratify the completed sale by the Chaska EDA of Lease Revenue Refunding Bonds, Series 2025B as previously awarded to D.A Davidson & Co. Staff recommends approval of the proposed resolution.

EDA ACTION REQUESTED

Motion to Adopt Resolution 2025-09 ratifying the sale of Lease Revenue Refunding Bonds, Series 2025B by the Economic Development Authority of the City of Chaska, Minnesota, and authorizing execution of related documents.

CERTIFICATION OF MINUTES RELATING TO CITY OF CHASKA ECONOMIC DEVELOPMENT AUTHORITY LEASE REVENUE REFUNDING BONDS, SERIES 2025B

Issuer: Economic Development Authority of the City of Chaska, Minnesota

Governing Body: Board of Commissioners

Kind, date, time and place of meeting: A regular meeting held on January 27, 2025, at 7:30 p.m., at the City Hall.

Commissioners Present:

Commissioners Absent:

Documents Attached:
Minutes of said meeting, including:

RESOLUTION NO. 2025-09

RESOLUTION RATIFYING THE SALE AND AUTHORIZING THE ISSUANCE OF $6,125,000 LEASE REVENUE REFUNDING BONDS, SERIES 2025B; AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the Bonds referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said Bonds; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such recording officer on ____________________, 2025.

____

Executive Director

4903-5523-7638\3

Commissioner ____________________ introduced the following resolution and moved its adoption, which motion was seconded by Commissioner _____________________:

RESOLUTION RATIFYING THE SALE AND AUTHORIZING THE ISSUANCE OF $6,125,000 LEASE REVENUE REFUNDING BONDS, SERIES 2025B; AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS

BE IT RESOLVED by the Board of Commissioners (the "Board") of the Economic Development Authority (the "Authority") of the City of Chaska, Minnesota (the "City"), as follows:

SECTION 1. RATIFICATION OF SALE.

1.01. Authorization.

Acting pursuant to Minnesota Statutes, Section 469.012, subdivision 1(h), and Minnesota Statutes, Sections 469.033 and 469.034, and Chapter 475, this Board, by resolution adopted on December 16, 2024, as amended by a resolution adopted on January 6, 2025 (together, the "Authority Resolution"), and concurring resolutions adopted by the City Council of the City on the same dates (together, the "City Resolution," and, together with the Authority Resolution, the "Resolutions"), approved the issuance and authorized the sale of the Authority's Lease Revenue Refunding Bonds, Series 2025B (the "Bonds"), to D.A. Davidson & Co. in Plymouth, Minnesota (the "Underwriter"); provided the principal amount does not to exceed $7,000,000 and the Refunding results in gross present value debt service savings of at least $1.0 million.

1.02. Ratification of Sale.

The Authority retained Baker Tilly Municipal Advisors LLC ("Baker Tilly"), municipal advisor, to assist the Authority in connection with the sale of the Bonds on a negotiated basis with the Underwriter. The Authority has received a proposal from the Underwriter to purchase the Bonds, and such proposal is within the parameters for sale established in the Authority Resolution. The Underwriter has agreed to purchase the Bonds in the principal amount of $6,125,000, at a price of $6,548,828.60 plus accrued interest, if any, on all Bonds to the day of delivery and payment, on the further terms and conditions hereinafter set forth. The sale of the Bonds to the Underwriter and the execution of the bond purchase agreement by the Executive Director and President, are hereby ratified in all respects.

SECTION 2. BOND TERMS; EXECUTION AND DELIVERY.

2.01. Issuance of Bonds. All acts, conditions and things which are required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed precedent to and in the valid issuance of the Bonds having been done, now existing, having happened and having been performed, it is now necessary for the Board to establish the form and terms of the Bonds, to provide security therefor and to issue the Bonds forthwith.

2.02. Terms of the Bonds. The Bonds shall be designated "Lease Revenue Refunding Bonds, Series 2025B," with each tax-exempt series being further designated by number (i.e., Series

2025B-1, Series 2025B-2, etc.). The terms of the Bonds, including without limitation, the date of original issue, interest payment dates, maturity dates and principal amounts, interest rates, redemption provisions, and provisions for registration and exchange shall be set forth in the Indenture. The Authority hereby approves and selects U.S. Bank Trust Company, National Association, in St. Paul, Minnesota, as Trustee.

2.03. Execution, Authentication and Delivery. The Bonds shall be executed by the Authority, and authenticated and delivered by the Trustee, in accordance with the applicable provisions of the Indenture.

2.04. Form of Bonds. The Bonds shall be printed in substantially the form set forth in the Indenture.

SECTION 3. APPROVAL OF LEASE AGREEMENT, TRUST INDENTURE, AND ESCROW AGREEMENT. The forms of the Lease, Indenture, and Escrow Agreement (the "Escrow Agreement"), dated as of January 30, 2025, between the Authority and U.S. Bank Trust Company, National Association, St. Paul, Minnesota, as trustee and escrow agent (the "Documents") are hereby approved. The President and the Executive Director, each individually, or each of their authorized designees, are hereby authorized and directed to execute and deliver the Documents and such other documents, instruments, certificates and agreements which are required to accomplish the issuance of the Bonds in the name of and on behalf of the Authority with such variations, omissions, deletions and insertions as the President and the Executive Director shall approve, which approval shall be conclusively presumed by the execution and delivery of the Documents by the President and the Executive Director.

SECTION 4. FURTHER AUTHORIZATIONS. The President and the Executive Director, each individually, or each of their authorized designees, and any other officers and employees of the Authority are hereby further authorized to take any actions on behalf of the Authority as are needed to consummate the Indenture, the Lease, the Escrow Agreement, and the financing transaction therein described and herein authorized, including any actions related to real property of the Authority. The Board hereby expressly authorizes the execution of any real estate instruments deemed necessary by counsel to the Authority. All actions heretofore taken with respect to the Documents and the real property described in the Lease are hereby ratified and fully approved. For the avoidance of doubt, this authorization includes but is not limited to the authority to acquire, dispose of and encumber any real property related to or necessary for the Project.

SECTION 5. RENTAL PAYMENTS. It is hereby estimated that the rental payments to be made by the City pursuant to the Lease will produce the amounts needed to meet, when due, the principal and interest payments on the Bonds.

SECTION 6. REGISTRATION OF BONDS. The Clerk or Deputy Clerk is hereby authorized and directed to file a certified copy of this resolution with the County Auditor of Carver County, together with such additional information as required, and to obtain from the County Auditor a certificate that the Bonds have been duly entered upon the County Auditor's bond register.

SECTION 7. AUTHENTICATION OF TRANSCRIPT.

The officers of the Authority are hereby authorized and directed to prepare and furnish to the Underwriter, and to Dorsey & Whitney LLP, the attorneys rendering an opinion as to the legality thereof, certified copies of all proceedings and records relating to the Bonds and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds, as the same appear from the books and records in their custody and control or as otherwise known to them, and all such certified copies, affidavits and certificates, including any heretofore furnished, shall be deemed representations of the Authority as to the correctness of all statements contained therein.

SECTION 8. OFFICIAL STATEMENT. Officers of the City and the Authority and Baker Tilly are hereby authorized and directed to prepare and distribute, on behalf of the Authority, a Preliminary Official Statement relating to the Bonds, any necessary amendments or supplements thereto to be prepared hereafter, and a final Official Statement (together with the Preliminary Official Statement and any necessary amendments or supplements thereto, the "Official Statement"), listing the offering price, the interest rates, selling compensation, delivery date, the underwriters and such other information relating to the Bonds required to be included in the Official Statement by Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Act of 1934. Within seven business days from the date the Bonds are sold, the Authority shall deliver to the Underwriter sufficient copies of the Official Statement. The officers of the Authority are hereby authorized and directed to review such Official Statement and to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency thereof, the execution of which shall constitute full approval of such.

SECTION 9. CONTINUING DISCLOSURE.

(a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the Securities Exchange Commission (the "SEC") under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the "Rule"), which will enhance the marketability of the Bonds, the Authority hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the Outstanding Bonds. The Authority and the City are the only obligated persons in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made. If the City or Authority fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any Outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, Owner or Bondowner means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, Beneficial Owner means, in respect of a Bond, any person or entity which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The Authority will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the Authority, the following information at the following times:

(1) on or before twelve (12) months after the end of each fiscal year of the City, commencing with the fiscal year ending December 31, 2024, the following financial information and operating data in respect of the City (the "Disclosure Information"):

(A) the audited financial statements of the City for such fiscal year, prepared in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the City, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the City; and

(B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under the headings: "Appendix A – General and Financial Information Concerning the City of Chaska, Minnesota – City Property Values;" "– City Indebtedness;" and "– City Tax Rates, Levies and Collections."

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the Authority shall provide on or before such date unaudited financial statements and, within 10 days after the receipt thereof, the Authority shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been submitted to the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access System ("EMMA") or the SEC. The Authority shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the

Disclosure Information can no longer be generated because the operations of the City or the Authority have materially changed or been discontinued, such Disclosure Information need no longer be provided if the Authority includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other Authority or City operations in respect of which data is not included in the Disclosure Information and the Authority determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (2) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1) or subsection (d), then the Authority shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

(2) In a timely manner, not in excess of 10 business days after the occurrence of the event, to the MSRB through EMMA, notice of the occurrence of any of the following events (each a "Material Fact"):

(A) principal and interest payment delinquencies;
(B) non-payment related defaults, if material;
(C) unscheduled draws on debt service reserves reflecting financial difficulties;
(D) unscheduled draws on credit enhancements reflecting financial difficulties;
(E) substitution of credit or liquidity providers, or their failure to perform;
(F) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
(G) modifications to rights of holders of the Bonds, if material;
(H) bond calls, if material, and tender offers;
(I) defeasances;
(J) release, substitution or sale of property securing repayment of the Bonds, if material;
(K) rating changes;
(L) bankruptcy, insolvency, receivership, or similar event of the obligated person;
(M) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
(N) appointment of a successor or additional trustee or the change of name of a trustee, if material;
(O) incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other

similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and

(P) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

For purposes of the events identified in paragraphs (O) and (P) above, the term "financial obligation" means (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

For the purposes of the event identified in (L) hereinabove, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

As used herein, for those events that must be reported if material, an event is "material" if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, an event is also "material" if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

(3) In a timely manner, to the MSRB through EMMA, notice of the occurrence of any of the following events or conditions:

(A) the failure of the Authority to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;
(B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the Authority under subsection (d)(2);
(C) the termination of the obligations of the Authority under this section pursuant to subsection (d);
(D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and
(E) any change in the fiscal year of the City.

(c) Manner of Disclosure.

(1) The Authority agrees to make available to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, the information described in subsection (b).

(2) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

(1) The covenants of the Authority in this section shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the Authority under this section shall terminate and be without further effect as of any date on which the Authority delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the Authority to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.

(2) This section (and the form and requirements of the Disclosure Information) may be amended or supplemented by the Authority from time to time, without notice to (except as provided in paragraph (c)(2) hereof) or the consent of the Owners of any Bonds, by a resolution of this Board filed in the office of the recording officer of the Authority accompanied by an opinion of Bond Counsel, who may rely on certificates of the Authority and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the Authority or the City or the type of operations conducted by the Authority or the City, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule.

If the Disclosure Information is so amended, the City agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

(3) This section is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.

SECTION 10. TAX MATTERS.

10.01. General Tax Covenant. The Authority agrees with the owners from time to time of the Bonds that it will not take, or permit to be taken by any of its officers, employees or agents, any action that would cause interest on such Bonds to become includable in gross income of the recipient under the Internal Revenue Code of 1986, as amended (the "Code") and applicable Treasury Regulations (the "Regulations"), and agrees to take any and all actions within its powers to ensure that the interest on such Bonds will not become includable in gross income of the recipient under the Code and the Regulations. All proceeds of the Bonds deposited in the Project Fund established pursuant to the Indenture will be expended solely for the payment of the costs of the Project as set forth in the Indenture. So long as any Bonds are outstanding, the Authority shall not enter into any contract for the sale of all or a portion of the Project financed by such Bonds or enter into any lease, management contract, use agreement or other agreement with any non-governmental person relating to the use of all or a portion of the Project financed by such Bonds or security for the payment of such Bonds which might cause such Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to Section 141 of the Code.

10.02. Certification. As it relates to the Bonds, the President and Executive Director, being the officers of the Authority charged with the responsibility for issuing the Bonds pursuant to this resolution, are authorized and directed to execute and deliver to the Underwriter a certificate in accordance with Section 148 of the Code, and applicable Regulations, stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the proceeds of any Bonds will not be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of the Code and Regulations.

10.03. Arbitrage Rebate. The Authority acknowledges that the Bonds are subject to the rebate requirements of Section 148(f) of the Code. The Authority and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations to preserve the exclusion of interest on such Bonds from gross income for federal income tax purposes.

10.04. Not Bank Qualified. The Bonds are not "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

SECTION 11. AUTHORIZATION OF PAYMENT OF CERTAIN COSTS OF ISSUANCE. The Authority authorizes the Trustee to pay costs of issuance of the Bonds as set forth in the Indenture.

Upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon the Resolution was declared duly passed and adopted.

COUNTY AUDITOR'S CERTIFICATE AS TO REGISTRATION

The undersigned, being the duly qualified and acting County Auditor of Carver County, Minnesota, hereby certifies that there has been filed in my office a certified copy of resolutions duly adopted on December 16, 2024, January 6, 2024, and January 27, 2025, respectively, by the Economic Development Authority of the City of Chaska, Minnesota, setting forth the form and details of an issue of $6,125,000 Lease Revenue Refunding Bonds, Series 2025B, dated as of January 30, 2025.

I further certify that the issue has been entered on my bond register as required by Minnesota Statutes, Sections 475.62 and 475.63.

WITNESS my hand this ___ day of _____________, 2025.

____
Carver County Auditor

4903-5523-7638\3

S&P Global
Ratings

RatingsDirect®

Summary:

Chaska Economic Development Authority, Minnesota Chaska; Appropriations

Primary Credit Analyst:
Emma Drilias, Madison (1) 312-233-7132; emma.drilias@spglobal.com

Secondary Contact:
Jessica Olejak, Chicago + 1 (312) 233 7068; jessica.olejak@spglobal.com

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Summary:

Chaska Economic Development Authority, Minnesota Chaska; Appropriations

Credit Profile		
US$6.08 mil lse rev rfdg bnds (City Of Chaska, Minnesota Lease Obligation) ser 2025B dtd 01/30/2025 due 02/01/2034		
Long Term Rating	AA-/Stable	New

Credit Highlights

- S&P Global Ratings assigned its 'AA-' long-term rating to the Economic Development Authority of the City of Chaska, Minn.'s anticipated $6.08 million series 2025B lease revenue refunding bonds, subject to appropriation.
- The outlook is stable.

Security

The 2025B bonds are special, limited obligations of the authority payable from lease-rental payments made by the city, as lessee, to the authority, as lessor. We rate this obligation one notch lower than Chaska's general creditworthiness, as reflected in the GO rating, to account for the appropriation risk associated with lease payments. We considered the affordability and likelihood of the lease payment, which is reflected in the appropriation rating and in our view of the Chaska's general creditworthiness. In our opinion, the lease features and terms are standard with no unusual risks regarding timely payment of debt.

Bond proceeds will current-refund series 2015B lease revenue bonds for interest-cost savings, while also reducing the length of maturity by one year. The existing debt service reserve fund balance established for the series 2015B bonds will also be applied toward this refunding transaction. City officials have determined maintaining a debt service reserve is no longer necessary based on Chaska's record of making full and timely lease payments on the 2015B bonds.

Credit overview

The rating reflects Chaska's stable economic profile based on the city's location southwest of the Twin Cities, with significant developable land contributing to Chaska's growth into an affluent residential community. The rating further reflects the city's commitment to building available reserves to levels that, while improving, remain low relative with that of peers, paired with our forward-looking assessment of the city's plans for substantial new debt issuance to address street and facility needs in upcoming years.

Chaska continues to increase its general fund reserve balance following four operating surpluses. Despite its improving general fund position, the city's overall financial profile remains somewhat pressured by persistent negative balances in several nonmajor governmental and enterprise funds including the economic development authority, capital improvements, tax increment, community center, curling, and golf funds. Nevertheless, these pressured funds are not expected to require general fund support in the near term. Similar to statewide peers, Chaska has considerable revenue flexibility because the fiscal 2024 general fund budget is breakeven and includes a large 19.45% levy increase to address inflationary budget increases and to partially finance construction of public safety campus. For fiscal 2025, the council approved a preliminary levy increase near 16% to balance the budget. Its labor contracts are settled through fiscal 2025 with manageable cost-of-living increases. In the next two years, Chaska plans to issue more than $50 million in new debt to finance construction of a new municipal services building, in addition to routine capital needs. Overall, we expect the city's unlimited statutory taxing flexibility and growing tax base will support operational balance as it increases its debt levels over the two-year outlook horizon.

The rating further reflects our assessment of the following factors:

- Real gross county product for Carver County that has lagged the U.S. economic growth rate in recent years, although Chaska's location southwest of the Twin Cities affords residents access to jobs in the broader metropolitan area. Chaska has exceptionally strong per-capita market value and resident incomes above U.S. averages, which we view as key economic strengths because the city primarily relies on property taxes to fund operations.
- Predictable operating budget, with unlimited statutory taxing flexibility and strong development trend supporting consistent local revenue growth. For fiscal 2024, management projects a $900,000 surplus (estimated at 3.5% of revenue) reflecting a $600,000 positive building permit revenue variance, paired with a $300,000 annual budgeted addition to reserves.
- A fiscal 2023 committed general fund balance of $1.3 million for compensated absences that are considered available for general operations. Including this committed balance, available reserves total more than $5.4 million, or about 24% of general fund revenue. Chaska budgets to increase the available fund balance by $300,000 annually to build its available reserves to its informal 35% fund balance target. The city also has several privately placed debt agreements, and frequently uses lines of credit for large infrastructure projects and is then reimbursed with bond issuances. We view the terms of all outstanding agreements as standard.
- A financial management framework characterized by realistic budgeting practices informed by historical trend analysis, a five-year operating forecast, and a rolling five-year capital improvement plan. The city has an informal fund balance policy of 35% of expenditures in the general fund balance, although it is not expected to meet this target this year.
- Chaska is a frequent issuer of debt to accommodate its growth plans, leading to high levels of debt totaling nearly $165 million. The city has limited exposure to pension and other postemployment benefit liabilities, with per-capita net pension liabilities that are low and current costs for retirement benefits that, while growing, will remain a small share of the city's budget.
- For more information on our institutional framework assessment for Minnesota municipalities, see "Institutional Framework Assessment: Minnesota Local Governments," published Sept. 10, 2024, on RatingsDirect.

Environmental, social, and governance

We view Chaska's environmental, social, and governance factors as neutral in our credit analysis. In the summer of 2024, much of Minnesota, including Carver County, experienced significant flooding following severe thunderstorms with heavy rainfall. Although the Minnesota River runs adjacent to the city, Chaska was not severely affected by this flooding given that it maintains infrastructure to mitigate flood risks. The city's cyber-security and cyber-incident response procedures align with those of peers.

Outlook

The stable outlook reflects our expectation that Chaska's revenue flexibility and tax base growth will continue to support budgetary balance and stable-to-growing reserves. The outlook further reflects our opinion that the city's strong and growing economic base will help Chaska take on the additional planned debt without creating material credit pressure.

Downside scenario

We could lower the rating if financial performance weakens and available reserves decline, or if negative balances outside of the general fund pressure the city's liquidity. A lower rating is also possible if Chaska's debt profile materially increases beyond expectations, pressuring budget operations.

Upside scenario

We could raise the rating with material improvement in available reserves, paired with significant moderation to debt levels.

Table 1

Chaska, Minnesota--credit summary	
Institutional framework (IF)	1
Individual credit profile (ICP)	2.26
Economy	2.5
Financial performance	2
Reserves and liquidity	1
Management	2.30
Debt and liabilities	3.50

Table 2

Chaska, Minnesota--key credit metrics

	Most recent	2023	2022	2021
Economy				
Real GCP per capita % of U.S.	81	--	81	80
County PCPI % of U.S.	133	--	133	130
Market value ($000s)	4,925,953	4,526,746	4,077,915	3,605,125
Market value per capita ($)	173,108	159,079	144,285	129,086
Top 10 taxpayers % of taxable value	9	7	8	8
County unemployment rate (%)	2.7	2.4	2.1	3.0
Local median household EBI % of U.S.	122	125	135	142
Local per capita EBI % of U.S.	119	122	133	136
Local population	28,456	28,456	28,263	27,928
Financial performance				
Operating fund revenues ($000s)	--	22,524	18,782	16,949
Operating fund expenditures ($000s)	--	23,545	22,283	19,611
Net transfers and other adjustments ($000s)	--	2,887	4,124	3,761

Table 2

Chaska, Minnesota--key credit metrics (cont.)

	Most recent	2023	2022	2021
Operating result ($000s)	--	1,866	623	1,099
Operating result % of revenues	--	8.3	3.3	6.5
Operating result three-year average %	--	6.0	3.3	1.9
Reserves and liquidity				
Available reserves % of operating revenues	--	18.5	12.0	10.4
Available reserves ($000s)	--	4,156	2,256	1,771
Debt and liabilities				
Debt service cost % of revenues	10.2	10.2	12.9	30.9
Net direct debt per capita ($)	5,068	2,917	2,609	2,657
Net direct debt ($000s)	144,209	83,006	73,728	74,208
Direct debt 10-year amortization (%)	55.2	--	--	--
Pension and OPEB cost % of revenues	4	4	4	6
NPLs per capita ($)	601	601	957	312
Combined NPLs ($000s)	17,112	17,112	27,034	8,705

Financial data may reflect analytical adjustments and are sourced from issuer audit reports or other annual disclosures. Economic data are generally sourced from S&P Global Market Intelligence, the Bureau of Labor Statistics, Claritas, and issuer audits and other disclosures. GCP--Gross county product. PCPI--Per capita personal income. EBI--Effective buying income. OPEB--Other postemployment benefits.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.spglobal.com/ratings for further information. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.

FINAL OFFICIAL STATEMENT DATED JANUARY 8, 2025

NEW ISSUE **S&P RATING: AA-**
NOT BANK QUALIFIED
BOOK ENTRY ONLY

In the opinion of Dorsey & Whitney LLP, Bond Counsel, based on existing law and assuming the accuracy of certain representations and compliance with certain covenants, interest on the Bonds (i) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on noncorporate taxpayers by Section 55 of the Code, (iii) is excluded from taxable net income of individuals, estates, and trusts for Minnesota income tax purposes, and (iv) is not an item of tax preference for Minnesota alternative minimum tax purposes. Interest on the Bonds may, however, be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations (as defined in Section 59(k) of the Code) and is included in net income for purposes of the Minnesota franchise tax imposed on corporations and financial institutions. See "TAX CONSIDERATIONS" herein.

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA
$6,125,000 Lease Revenue Refunding Bonds, Series 2025B (City of Chaska, Minnesota, Lease Obligation) (the "Bonds")

Dated Date	Date of Delivery (January 30, 2025)
Security	The Bonds will be special, limited obligations of the Economic Development Authority of the City of Chaska, Minnesota (the "Authority") payable solely from rental payments (the "Rental Payments") to be received by the Authority from the City of Chaska, Minnesota (the "City") pursuant to Lease Purchase Agreement between the Authority and the City dated as of January 1, 2025 (the "Lease"). The Bonds do not constitute a debt for which the faith and credit or taxing powers of the Authority, the City, or the State of Minnesota will be pledged. The City's obligation under the Lease is subject to annual appropriation.
Authorization	The Bonds are being issued pursuant to Minnesota Statutes, Sections 469.033 and 469.034, and Chapter 475. The Bonds are also issued pursuant to a Trust Indenture between the Authority and U.S. Bank Trust Company, National Association, St. Paul, Minnesota, (the "Trustee") dated January 1, 2025 (the "Indenture"); resolutions of the Authority dated December 16, 2024, as amended by a resolution dated January 6, 2025, and a ratifying resolution to be adopted on or around January 27, 2025, respectively (together, the "Authority Resolution"); and concurring resolutions of the City (the "City Resolution"). See "Authority and Security" herein.
Purpose	The proceeds of the Bonds and related investment earnings in the escrow, along with a transfer of the current debt service reserve fund of $876,195.34, will be used to (i) refund and defease the Authority's Lease Revenue Bonds, Series 2015B (the "Refunded Bonds"), dated April 15, 2015; and (ii) pay associated costs of issuance of the Bonds.
Principal and Interest Payments	Principal will be paid annually on February 1, beginning February 1, 2026. Interest will be payable semiannually on February 1 and August 1, beginning August 1, 2025.
Redemption Provisions	The Bonds will not be subject to redemption in advance of their respective stated maturity dates.
Book Entry	The Bonds will be issued only as fully registered obligations, and when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). See Appendix B for "Book Entry".
Denominations	The Bonds are being issued in the denomination of $5,000 or integral multiple thereof.
Trustee	U.S. Bank Trust Company, National Association, located in St. Paul, Minnesota ("Trustee"). The Trustee will serve as registrar (the "Registrar") for the Bonds.
Underwriter	The Bonds are being offered when, as and if issued and received by D.A. Davidson & Co., Plymouth, Minnesota (the "Underwriter"), subject to prior sale, to withdrawal or modifications of the offer without any notice, and subject to the opinion as to the validity and tax-exempt status of the Bonds by Dorsey & Whitney LLP, Bond Counsel.

D|A DAVIDSON
FIXED INCOME CAPITAL MARKETS

MATURITY SCHEDULE
(Base CUSIP(1) 16166N)

Maturity (February 1)	Principal	Interest Rate	Yield	Price	CUSIP(1)
2026	$555,000	5.00%	3.11%	101.851%	GL3
2027	$585,000	5.00%	3.13%	103.602%	GM1
2028	$615,000	5.00%	3.16%	105.231%	GN9
2029	$640,000	5.00%	3.20%	106.712%	GP4
2030	$675,000	5.00%	3.23%	108.116%	GQ2
2031	$710,000	5.00%	3.30%	109.189%	GR0
2032	$740,000	5.00%	3.32%	110.420%	GS8
2033	$785,000	5.00%	3.39%	111.202%	GT6
2034	$820,000	5.00%	3.42%	112.154%	GU3

(1) CUSIP® is a registered trademark of the American Bankers Association ("ABA"). CUSIP data (including CUSIP identifiers and related descriptive data) contained herein is provided by CUSIP Global Services ("CGS"), which is operated on behalf of the ABA by FactSet Research Systems Inc. CUSIP data is the valuable intellectual property of the ABA and the inclusion of CUSIP data herein is not intended to create a database and does not serve in any way as a substitute for any CUSIP Service provided by CGS. CUSIP data herein is provided for convenience of reference only. Neither the Authority, the City, the Municipal Advisor, the Underwriter nor their agents take any responsibility for the accuracy of such data now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

The Official Statement dated January 8, 2025 is a Final Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

No dealer, broker, salesperson, or other person has been authorized by the Authority to give any information or to make any representations with respect to the Bonds, other than as contained in the Preliminary Official Statement or the Final Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the Authority. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities described herein by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

Certain information contained in the Preliminary Official Statement or the Final Official Statement may have been obtained from sources other than records of the Authority and, while believed to be reliable, is not guaranteed as to completeness or accuracy. The information and expressions of opinion in the Preliminary Official Statement and the Final Official Statement are subject to change, and neither the delivery of the Preliminary Official Statement nor the Final Official Statement nor any sale made under either such document shall create any implication that there has been no change in the affairs of the Authority since the respective date thereof. However, upon delivery of the securities, the Authority will provide a certificate stating there have been no material changes in the information contained in the Final Official Statement since its delivery.

References herein to laws, rules, regulations, resolutions, agreements, reports, and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Preliminary Official Statement or the Final Official Statement, they will be furnished upon request.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for the purposes of, and as that term is defined in, Securities and Exchange Commission Rule 15c2-12.

The Bonds are considered securities and have not been approved or disapproved by the Securities and Exchange Commission or any state or federal regulatory authority nor has any state or federal regulatory authority confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary is a criminal offense. Investors must rely on their own examination of this Official Statement, the security pledged to repay the Bonds, the issuer and the merits and risks of the investment opportunity.

FORWARD-LOOKING STATEMENTS

This Official Statement, including its appendices, contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as "plan," "expect," "estimate," "budget," "may," or similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause a deviation from the actual results, performance or achievements expressed or implied by such forward-looking statements. The Authority does not expect or intend to update or revise any forward-looking statements contained herein if or when its expectations, or events, conditions, or circumstances on which such statements are based occur.

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA

BOARD OF COMMISSIONERS

Taylor Hubbard	President/Mayor
Jon Grau	Commissioner/Council Member
McKayla Hatfield	Commissioner/Council Member
Leah Sheveland	Commissioner/Council Member
Joshua Benesh	Commissioner/Council Member

Note: The Authority is governed by a five-member Board of Commissioners, with the members of the City Council serving on the Board.

AUTHORITY EXECUTIVE DIRECTOR/CITY ADMINISTRATOR

Matthew Podhradsky

AUTHORITY ASSISTANT EXECUTIVE DIRECTOR

Elise Durbin

CITY ADMINISTRATIVE SERVICES DIRECTOR

Noel Graczyk

MUNICIPAL ADVISOR

Baker Tilly Municipal Advisors, LLC
Saint Paul, Minnesota

BOND COUNSEL

Dorsey and Whitney, LLP
Minneapolis, Minnesota

TRUSTEE

U.S. Bank Trust Company, National Association
Saint Paul, Minnesota

UNDERWRITER

D.A. Davidson & Co.
Plymouth, Minnesota

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ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA

$6,125,000 LEASE REVENUE REFUNDING BONDS, SERIES 2025B (CITY OF CHASKA, MINNESOTA LEASE OBLIGATION)

PURPOSE OF THE ISSUE AND USE OF FUNDS

THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA

The Authority is a public body politic and corporate and a political subdivision of the State of Minnesota (the "State") duly organized and existing under the laws of the State. The Authority was established on March 30, 1987 and is governed by a five-member Board of Commissioners, with the City Council members serving on the Board. The current Board members are as follows:

		Expiration of Term
Taylor Hubbard	President/Mayor	December 31, 2028
Jon Grau	Commissioner	December 31, 2026
McKayla Hatfield	Commissioner	December 31, 2026
Leah Sheveland	Commissioner	December 31, 2028
Joshua Benesh	Commissioner	December 31, 2028

Mr. Matthew Podhradsky, the Executive Director of the Authority, also serves as City Administrator for the City. Ms. Elise Durbin, the Assistant Executive Director of the Authority, also serves as the Assistant City Administrator for the City.

PURPOSE OF THE BONDS

The proceeds of the Bonds, related investment earnings in the escrow and a transfer of the current debt service reserve fund of $876,195.34, will be used to (i) current refund and defease the Authority's Lease Revenue Bonds, Series 2015B (the "Refunded Bonds"), issued in the original aggregate principal amount of $9,000,000, dated April 15, 2015; and (ii) pay associated costs of issuance of the Bonds.

REFUNDED BONDS

Proceeds of the Refunded Bonds were originally used to make general improvements to the City's Fireman's Park and Schimelpfenig Park (collectively, the "Park"). The Park is approximately a 15-acre recreational property located adjacent to the City's downtown area. Improvements to existing park amenities surrounding the lake included a lakeside stage and amphitheater; a promenade along the shorefront of the Park; a bridge spanning the lake; a trail/boardwalk circumventing the lake; a park shelter building with restrooms/changing rooms and concession stand; playgrounds and open areas; a historical brick walk and fountain picnic shelter with bathrooms; volleyball courts and horseshoe pits; an archery range; and a parking lot (the "Improvements").

The Bonds have been structured as a current refunding and are being issued to provide interest cost savings, and release the debt service reserve fund originally funded with proceeds of the Refunded Bonds. It is anticipated that the Refunded Bonds will be defeased upon settlement of the Bonds and the February 1, 2026 through February 1, 2035 maturities of the Refunded Bonds called and prepaid at a price of par plus accrued interest on March 5, 2025, which is within 90 days of settlement of the Bonds. The February 1, 2025 maturity of the Refunded Bonds will be paid from funds deposited into the escrow at settlement of the Bonds for such purpose.

SOURCES AND USES OF FUNDS

The composition of the Bonds is as follows:

Sources of Funds:	
Principal Amount	$6,125,000.00
Reoffering Premium	491,203.60
Transfer from Refunded Bonds Debt Service Reserve Funds	876,195.34
Transfer from Refunded Bonds Debt Service Funds	355,700.00
Total Sources of Funds	$7,848,098.94
Uses of Funds:	
Deposit to Current Refunding Escrow	$7,683,357.76
Costs of Issuance(1)	94,925.00
Underwriter's Compensation	67,375.00
Rounding	2,441.18
Total Uses of Funds	$7,848,098.94

(1) Includes fees for bond counsel, municipal advisor, registrar, rating, and other miscellaneous expenses.

INVESTMENT OF FUNDS

The proceeds of this issue are to be invested in accordance with the laws of the State relating to the depositing, holding, securing, or investing of public funds. The Authority shall direct the investment of Bond proceeds.

DESCRIPTION OF THE BONDS

INTEREST CALCULATION

Interest on the Bonds is payable on February 1 and August 1 of each year, commencing August 1, 2025. Interest will be payable to the holder (initially Cede & Co.) registered on the books of the Registrar as of the fifteenth day of the calendar month next preceding such interest payment date (the "Record Date"). Interest will be computed on the basis of a 360-day year of twelve 30-day months

REGISTRATION AND EXCHANGE FEATURES

Each registered Bond shall be transferable or exchangeable only on such record at the designated corporate trust office of the "Registrar" and "Paying Agent," U.S. Bank Trust Company, National Association, Saint Paul, Minnesota at the written request of the registered owner thereof or the owner's attorney duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney.

BOOK ENTRY

When issued, the Bonds will be registered in the name of and held by Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). Purchases of beneficial interests in the Bonds will be made in book entry only form. See Appendix B: Book Entry.

PROVISIONS FOR PAYMENT

The principal on the Bonds shall be payable at the designated corporate trust office of the Registrar and Paying Agent, or by wire transfer to DTC or any successor depository. All payments of interest on the Bonds shall be paid to the registered owners as the names appear as of the Record Date and at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Registrar or by wire transfer to DTC or any successor depository. If payment of principal or interest is made to DTC or any successor depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). Payments on the Bonds shall be made in lawful money of the United States of America which, on the date of such payment, shall be legal tender.

So long as DTC or its nominee is the registered owner of the Bonds, principal and interest on the Bonds will be paid directly to DTC by the Paying Agent. (The final disbursement of such payments to the Beneficial Owners of the Bonds will be the responsibility of the DTC Participants and Indirect Participants.

NOTICE OF REDEMPTION

If the Bonds are to be redeemed pursuant to the Indenture, and written notice of an election to exercise an option to redeem Bonds under the Indenture shall have been given to the Trustee at least 45 days prior by the Authority (other than for the mandatory sinking fund redemption of certain maturities of the Bonds maturing in the years for which no notice of election shall be required), the Trustee shall prepare a notice in the name of the Authority or in its own name describing the Outstanding Bonds to be redeemed, the date of redemption, and the redemption price. Such notice may be conditional. Notice of redemption shall be mailed by the Trustee, not less than thirty (30) days nor more than ninety (90) days before the redemption date, by first-class mail or by electronic means, to the Owners of all Bonds which are to be redeemed, at their last addresses appearing upon the registry books of the Authority and shall be published to the extent required by law.

OPTIONAL REDEMPTION

The Bonds will not be subject to redemption in advance of their respective stated maturity dates.

AUTHORITY AND SECURITY

AUTHORITY

The Bonds are being issued pursuant to Minnesota Statutes, Sections 469.033 and 469.034 and Chapter 475. The Bonds are also issued pursuant to a Trust Indenture between the Authority and U.S. Bank Trust Company, National Association, St. Paul, Minnesota, (the “Trustee”), dated as of January 1, 2025 (the “Indenture”); resolutions of the Authority dated December 16, 2024, as amended by a resolution dated January 6, 2025, and a ratifying resolution to be adopted on or around January 27, 2025, respectively (together, the “Authority Resolution”); and concurring resolutions of the City (the “City Resolution”). The Bonds are further issued pursuant to a Lease Purchase Agreement between the Authority and the City, dated as of January 1, 2025 (the “Lease”).

SECURITY AND SOURCES OF PAYMENT

The Bonds will be special, limited obligations of the Authority payable from Rental Payments to be received by the Authority from the City pursuant to the Lease. The Authority will assign its right, title and interest in the Lease to the Trustee in accordance with the Indenture. The Bonds are not parity obligations and shall not constitute a general or moral obligation of the Authority, the City or the State of Minnesota or a debt for which the faith and credit or taxing powers of the Authority, the City, or the State of Minnesota shall be pledged.

The Authority covenants and agrees, under the Indenture, that so long as the Bonds shall be outstanding it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Indenture and in the Resolution. The Authority further covenants that it will pay, or cause to be paid, the principal of and interest on the Bonds, from Rental Payments made by the City and other amounts received in respect to the Lease or available under the Indenture. The City Administrator will include in the budget request for each fiscal year the Rental Payments to become due in such fiscal year and will use all reasonable and lawful means at his or her disposal to secure the appropriation of money for such fiscal year sufficient to pay the Rental Payments coming due therein. The Authority covenants that it will cause such amounts received to be deposited with the Trustee prior to the due date of each payment of principal and interest and prior to the maturity of any Bond in amounts sufficient to pay such payment; provided, however, that the principal of and interest on any Bond is not and shall not be deemed to represent a debt or pledge the faith or credit of the Authority or the City or grant to the holder of any Bond any right to have the Authority or the City levy any taxes, or appropriate any funds to the payment of debt service on the Bonds. Such payment is to be made solely and only out of the moneys received pursuant to the Leases and the funds and accounts established and maintained with the Trustee pursuant to the Indenture and appropriated to the payment of the Bonds by the Indenture.

Payment of the Bonds is intended to be made from Rental Payments paid by the City under the Lease held in trust by the Trustee in accordance with the Indenture. The City covenants and agrees, pursuant to the Lease, to pay the Rental Payments with respect to the Project at the times and in the amounts to pay principal and interest on the Bonds when due subject to its right to non-appropriation. The Rental Payments shall be payable directly to the Trustee on behalf of the Authority at least five days prior to each February 1 and August 1 payment date for the Bonds. Other moneys received by the Trustee from the City which are on deposit in the Bond Fund at least five days prior to each February 1 and August 1 payment date may be credited against the Rental Payments otherwise due on such date if the City or the Authority so directs.

Except in the case of the City Council's failure to make an annual appropriation, the obligation of the City to make the Rental Payments under the Lease, or any other payments required thereunder, shall be absolute and unconditional, and the City shall make all Rental Payments required under the Lease when due. The City will not terminate the term of the Lease for causes including the destruction of or damage to the Project, any change in State or federal laws or rulings, or any failure of the Authority to perform and observe any agreement, duty, liability or obligation arising out of or connected with the Lease or the Indenture.

The City may terminate the Lease in the sole event that the City Council fails to appropriate money sufficient for the continued performance of the Lease by the City as evidenced by a specific provision in the budget of the City which prohibits the expenditure of the City funds for this purpose. The City's obligation for the of Bonds is separately subject to annual appropriation the respective Lease. In the event of termination of the Lease by nonappropriation, the City shall deliver possession of the Improvements (all personal property) and the "Pledged Land" (as defined in the Lease, a portion of the real property relating to the Improvements) to the Authority, and release its interest in the same. In the event of a default (e.g., failure by the City to pay any Rental Payments), the Authority may terminate the Lease and take possession of the Improvements and the Pledged Land and lease or sell the same. Under the Indenture, the Trustee shall have the power to enforce the rights of the Authority for the benefit of bondholders.

THE LEASE DOES CONSTITUTE AN INDEBTEDNESS OF THE CITY AND THE BONDS ARE NOT SECURED BY THE FULL FAITH AND CREDIT OR TAXING POWER OF THE AUTHORITY, THE CITY OR THE STATE OF MINNESOTA.

RATING

S&P Global Ratings ("S&P"), 55 Water Street, New York, New York have assigned a rating of "AA-" to the Bonds. Such rating reflects only the view of S&P and any explanation of the significance of such rating may only be obtained from S&P.

The rating is not a recommendation to buy, sell or hold the Bonds, and such rating may be subject to revision or withdrawal at any time by S&P. Any revision or withdrawal of the rating may have an adverse effect upon the market price of the Bonds.

The Authority has not applied to any other rating service for a rating on the Bonds.

RISK FACTORS AND INVESTOR CONSIDERATIONS

Prospective purchasers of the Bonds should consider carefully, along with other matters referred to herein, the following risks of investment. The ability of the Authority to meet the debt service requirements of the Bonds is subject to various risks and uncertainties which are discussed throughout this Official Statement. Certain investment considerations are set forth below.

MAINTENANCE OF RATING

The Bonds have been rated as to their creditworthiness by S&P. While the Authority does not anticipate any material changes in the future, no assurance can be given that the Bonds will maintain their original rating. If the rating on the Bonds decreases or is withdrawn, the Bonds may lack liquidity in the secondary market in comparison with other such municipal obligations. See "Rating" herein.

SECONDARY MARKET

While the purchaser of the Bonds may expect, insofar as possible, to maintain a secondary market in the Bonds, no assurance can be given concerning the future existence of such a secondary market or its maintenance by the purchasers or others, and prospective purchasers of the Bonds should therefore be prepared, if necessary, to hold their Bonds to maturity or prior redemption, if any.

FUTURE CHANGES IN LAW

Future legislative proposals, if enacted into law, clarification of the Code (defined herein) or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations, or litigation, as to which Bond Counsel expresses no opinion.

Legislation affecting municipal bonds is considered from time to time by the United States Congress and the Executive Branch. Bond Counsel's opinion is based upon the law in existence on the date of issuance of the Bonds. It is possible that legislation enacted after the date of issuance of the Bonds or proposed for consideration will have an adverse effect on the excludability of all or a part of the interest on the Bonds from gross income, the manner in which such interest is subject to federal income taxation or the market price of the Bonds.

Legislation affecting municipal bonds is considered from time to time by the Minnesota legislature and Executive Branch. It is possible that legislation enacted after the date of the Bonds or proposed for consideration will have an adverse effect on payment or timing of payment or other matters impacting the Bonds.

The Authority cannot predict the outcome of any such federal or state proposals as to passage, ultimate content or impact if passed, or timing of consideration or passage. Purchasers of the Bonds should reach their own conclusions regarding the impact of any such federal or state proposals.

There can be no assurance that there will not be any change in, interpretation of, or addition to the applicable laws and provisions which would have a material effect, directly or indirectly, on the affairs of the Authority.

POTENTIAL IMPACTS RESULTING FROM EPIDEMICS OR PANDEMICS

The Authority's finances may be materially adversely affected by unforeseen impacts of future epidemics and pandemics. The Authority cannot predict future impacts of epidemics or pandemics, any similar outbreaks, or their impact on travel, on assemblies or gatherings, on the State, national or global economy, or on securities markets, or whether any such disruptions may have a material adverse impact on the financial condition or operations of the Authority, including but not limited to the payment of debt service on any of its outstanding debt obligations.

CYBERSECURITY

The Authority relies on computer networks, data storage, collection, and transmission to conduct the operations of the Authority and has implemented security measures to protect data and limit financial exposure, including securing cyber security insurance to assist with the reduction of potential risk of financial and operational damage resulting from network attacks. Even with these security measures, the Authority, its information technology, data stored by the Authority and its infrastructure may be vulnerable in the event of a deliberate system attack, including malware, ransomware, computer virus, employee error or general disruption. If breached or compromised, the networks could be disrupted and information could be accessed, disclosed, lost, or stolen. The Authority acknowledges that its systems could be affected by a cybersecurity attack and that a loss, disruption, or unauthorized access to data held by the Authority could have a material impact on the Authority. Further, as cybersecurity threats evolve, the Authority will continue to evaluate and implement security measures and work to mitigate any vulnerabilities in its system.

CREDIT RISK

Since the investor in a Bond is without recourse to the Trustee, the investor assumes the entire risk if the City does not meet its obligations under the Lease to pay principal of and interest on the Bonds, or if the City defaults under the Lease and remedies available to the Authority thereunder, exercisable by the Trustee, are insufficient to produce amounts sufficient to pay principal of and interest on the Bonds. The City's ability to perform said obligations and its willingness to appropriate monies for the Lease could be affected by the financial condition of the City and economic conditions generally, among other things. See "RISK FACTORS – Non-Appropriation". Upon the occurrence of an event of default under the Indenture, the Trustee may, and shall upon request of the requisite percentage of bondholders, declare the principal of the Bonds immediately due and payable; provided, however, that the rights of the Trustee are limited to enforcement of the Authority's rights under the Lease as described herein.

REMEDIES OF DEFAULT: ENFORCEABILITY RISK AND CANCELLATION

Investors should understand that in an event of default by the Authority under the Lease, the remedies provided by the Lease may be unenforceable due to the application of principles of equity or State and federal laws relating to bankruptcy, moratoriums, reorganizations and creditors' rights, or may require the expenditure of money and considerable time to enforce. Further, investors should understand that in an event of default by the Authority under the Lease and the termination of the Lease by the Trustee, the Trustee may be unable to sell or lease its fee title interest in the Project, or to sell such interest at a price which will provide to the investors net proceeds equal to the amount of remaining principal under the Lease.

NON-APPROPRIATION

Rental Payments will be payable from the City funds which are annually budgeted and appropriated by the governing body of the City and which may be reduced or terminated by action of such governing body. There is no assurance that the City will appropriate funds for the Rental Payments. The governing body of the City is under no obligation to provide City funds for such payments. Accordingly, any factors which may potentially influence the budgeting process of the City should be considered by a prospective purchaser of the Bonds. In the event the governing body of the City fails to appropriate funds necessary for Rental Payments or defaults under the Lease, the Lease will be terminated, and, in such event, the Bonds will be payable from any moneys held by the Trustee under the Indenture.

Upon termination of the Lease in the event of nonappropriation, the City shall not be responsible for the payment of any additional Rental Payments coming due with respect to succeeding Fiscal Years, but if the City has not delivered possession of the Project to the Authority in accordance with the terms of the Lease and conveyed to the Authority or released its interest in the Project granted under the Lease within ten (10) days after the termination of the Lease, the termination shall nevertheless be effective, but the City shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments thereafter coming due which are attributable to the number of days after such ten (10) day period during which the City fails to take such actions. Upon termination of the Lease upon nonappropriation, which is not a default under the lease, the Trustee, on behalf of the Authority, may lease or sell the Authority's interests in the Project or any portion thereof in a commercially reasonable manner at public or private sale in accordance with applicable State laws and apply the proceeds of such lease or sale in accordance with the Indenture.

INSURANCE RISK

In case of any damage to or destruction of the Project or any part thereof by any casualty, the Authority shall, whether or not any insurance proceeds are available or adequate for such purpose and regardless of the dollar amount of such damage or loss, with reasonable diligence commence and complete restoration of the Project at its own expense. No destruction of or damage to the Project, or any part thereof, shall entitle or permit the Authority to quit or surrender the Project or shall relieve the Authority from its liability to pay in full the Rental Payments other payments cited in the Lease, or from any of its other obligations under the Lease. The Authority shall be entitled to the Net Proceeds of any condemnation award or portion thereof made for damages to or taking of its own property or for damages on account of the taking of or interference with the Authority's right to possession, use of or occupancy of the Project.

DETERMINATION OF TAXABILITY RISK

If the interest on the Bonds were to become subject to taxation, no provision has been made for redemption of the Bonds and investors holding the Bonds would not be entitled to any additional interest exceeding the rate printed on the Bonds. The Bondholder would subsequently then be holding a security with a substantially lower interest rate return than that of a comparable taxable security.

NO MORTGAGE

Bondholders will not receive a mortgage or similar security instrument with respect to the Bonds. Accordingly, the Bondholders will not have any right to foreclose on any real property of the Authority as a result of an event of default under the Indenture.

OTHER FACTORS

An investment in the Bonds involves an element of risk. To identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including the Appendices hereto) to make a judgment as to whether the Bonds are an appropriate investment.

PURCHASER/UNDERWRITING

The Bonds are being purchased by D.A. Davidson & Co., Plymouth, Minnesota (the "Underwriter") at a purchase price of $6,548,828.60, which is the par amount of the Bonds of $6,125,000.00, less the Underwriter's discount of $67,375.00, plus the original issue premium of $491,203.60.

The Underwriter intends to offer the Bonds to the public at the offering prices set forth on the inside cover page of this Official Statement. The Underwriter may allow concessions to certain dealers (including dealers in a selling group of the Underwriter and other dealers depositing the Bonds into investment trusts), who may reallow concessions to other dealers. After the initial public offering, the public offering price may be varied from time to time by the Bonds.

CONTINUING DISCLOSURE

In order to permit bidders for the Bonds and other participating underwriters in the primary offering of the Bonds to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), the Authority has covenanted and agreed, for the benefit of the registered holders or beneficial owners from time to time of the outstanding Bonds, in the Authority Resolution, to provide annual reports of specified information and notice of the occurrence of certain events as hereinafter described (the "Disclosure Covenants"). The information to be provided on an annual basis, the events as to which notice is to be given and a summary of other provisions of the Disclosure Covenants, including termination, amendment and remedies, are set forth in Appendix D to this Official Statement.

The Authority believes it has complied for the past five years in accordance with the terms of its previous continuing disclosure undertakings entered into pursuant to the Rule.

The City believes it has complied for the past five years in accordance with the terms of its previous continuing disclosure undertakings entered into pursuant to the Rule. However, certain reportable events were not filed on a timely basis, including: a financial obligation notice.

The Authority has adopted specific disclosure policies and procedures to further ensure ongoing compliance with its continuing disclosure obligations. A failure by the Authority to comply with the Disclosure Covenants will not constitute an event of default on the Bonds (although holders will have any available remedy at law or in equity). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

FUTURE FINANCING

As of the date of the Official Statement, the City anticipates issuing the following additional debt over the next twelve (12) months: Lease Purchase Agreement in the amount of $3,972,000 to provide temporary short-term financing for the acquisition of land for the City's Future Municipal Service Building, and general obligation utility revenue bonds to finance various water utility improvements in the estimated amount of $16 million.

The City periodically evaluates market conditions and outstanding financial obligations for refunding and refinancing opportunities and may issue refunding obligations if debt service savings can be achieved.

LITIGATION

The city is entering into arbitration with the Mueller Company for non-compliance of the City's Advanced Metering Infrastructure Contract. The City is seeing damages for the failure of the system. Neither the City nor the Authority anticipate this arbitration affecting the validity of the Bonds or the Authority's ability to meet its financial obligations.

LEGAL MATTERS

The Bonds are subject to approval as to certain matters by Dorsey & Whitney LLP of Minneapolis, Minnesota, as Bond Counsel. Bond Counsel has not participated in the preparation of this Official Statement and will not pass upon its accuracy, completeness, or sufficiency. Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements or data contained in this Official Statement and will express no opinion with respect thereto. A legal opinion in substantially the form set out in Appendix C herein will be delivered at closing.

TAX MATTERS

TAX EXEMPTION

The following is a summary of certain U.S. federal and Minnesota income tax considerations relating to the purchase, ownership, and disposition of the Bonds. This summary is based on the U.S. Internal Revenue Code of 1986 (the "Code") and the Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the Internal Revenue Service (the "IRS"), all as of the date hereof and all of which are subject to change, possibly with retroactive effect. Any such change could adversely affect the matters discussed below, including the tax exemption of interest on the Bonds. The City has not sought and will not seek any rulings from the IRS regarding the matters discussed below, and there can be no assurance the IRS or a court will not take a contrary position regarding these matters.

Prospective purchasers of Bonds should consult their own tax advisors with respect to applicable federal, state, and local tax rules, and any pending or proposed legislation or regulatory or administrative actions, relating to the Bonds based on their own particular circumstances.

This summary is for general information only and is not intended to constitute a complete analysis of all tax considerations relating to the purchase, ownership, and disposition of Bonds. It does not address the application of the alternative minimum tax imposed on noncorporate taxpayers and applicable corporations (as defined in Section 59(k) of the Code) or the additional tax on net investment income, nor does it address the U.S. federal estate and gift tax or any state, local, or non-U.S. tax consequences except with respect to Minnesota income tax to the extent expressly specified herein. This summary is limited to consequences to U.S. holders that purchase the Bonds for cash at original issue and hold the Bonds as "capital assets" (generally, property held for investment).

This discussion does not address all aspects of U.S. federal income or state taxation that may be relevant to particular holders of Bonds in light of their specific circumstances or the tax considerations applicable to holders that may be subject to special income tax rules, such as: holders subject to special tax accounting rules under Section 451(b) of the Code; insurance companies; brokers, dealers, or traders in stocks, securities, or currencies or notional principal contracts; foreign corporations subject to the branch profits tax; holders receiving payments in respect of the Bonds through foreign entities; and S corporations, partnerships, or other pass-through entities or investors therein.

For purposes of this discussion, the "issue price" of a maturity of Bonds is the first price at which a substantial amount of Bonds of that maturity is sold for cash to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers.

Tax-Exempt Interest

In the opinion of Dorsey & Whitney LLP, Bond Counsel, based on existing law and assuming the accuracy of certain representations and compliance with certain covenants, interest on the Bonds (i) is excluded from gross income for federal income tax purposes under Section 103 of the Code, (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on noncorporate taxpayers by Section 55 of the Code, (iii) is excluded from taxable net income of individuals, estates, and trusts for Minnesota income tax purposes, and (iv) is not an item of tax preference for Minnesota alternative minimum tax purposes. Interest on the Bonds may, however, be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations (as defined in Section 59(k) of the Code) and is included in net income for purposes of the Minnesota franchise tax imposed on corporations and financial institutions.

The Code establishes certain requirements that must be met after the issuance of the Bonds in order that interest on the Bonds be excluded from federal gross income and from Minnesota taxable net income of individuals, estates, and trusts. These requirements include, but are not limited to, provisions regarding the use of Bond proceeds and the facilities financed or refinanced with such proceeds and restrictions on the investment of Bond proceeds and other amounts. The City has made certain representations and has covenanted to comply with certain restrictions, conditions, and requirements designed to ensure interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or noncompliance with these covenants may cause interest on the Bonds to be included in federal gross income or in Minnesota taxable net income retroactively to their date of issue. Bond Counsel has not independently verified the accuracy of these representations and will not verify the continuing compliance with these covenants. No provision has been made for redemption of or for an increase in the interest rate on the Bonds in the event that interest on the Bonds is included in federal gross income or in Minnesota taxable net income.

Original Issue Discount

Bonds may be issued with original issue discount ("OID"). A Bond will be treated as issued with OID (a "Discount Bond") if its "stated redemption price at maturity" (*i.e.*, the sum of all amounts payable on the Bond other than payments of qualified stated interest) exceeds its issue price. OID that accrues to a holder of a Discount Bond is excluded from federal gross income and from Minnesota taxable net income of individuals, estates, and trusts to the same extent that stated interest on such Discount Bond would be so excluded. The amount of OID that accrues on a Discount Bond is added to the holder's federal and Minnesota tax bases. OID is taxable under the Minnesota franchise tax on corporations and financial institutions.

OID on a Discount Bond generally accrues pursuant to a constant-yield method that reflects semiannual compounding on dates that are determined by reference to the maturity date of the Discount Bond. The amount of OID that accrues for any particular semiannual accrual period generally is equal to the excess of (1) the product of (a) one-half of the yield on such Discount Bonds (adjusted as necessary for an initial short period) and (b) the adjusted issue price of such Discount Bonds, over (2) the amount of stated interest actually payable. For this purpose, the adjusted issue price is determined by adding to the issue price for such Discount Bonds the OID that is treated as having accrued during all prior accrual periods. If a Discount Bond is sold or otherwise disposed of between compounding dates, then the OID that would have accrued for that accrual period for federal income tax purposes is allocated ratably to the days in that accrual period.

If a Discount Bond is purchased for a cost that exceeds the sum of the issue price plus accrued interest and accrued OID, the amount of OID that is deemed to accrue thereafter to the purchaser is reduced by an amount that reflects amortization of such excess over the remaining term of the Discount Bond. If the excess is greater than the amount of remaining OID, the basis reduction rules for amortizable bond premium may result in taxable gain upon sale or other disposition of the Bonds, even if the Bonds are sold, redeemed, or retired for an amount equal to or less than their cost.

It is possible under certain state and local income tax laws that OID on a Discount Bond may be taxable in the year of accrual and may be deemed to accrue differently than under federal law.

Market Discount

If a Bond is purchased for a cost that is less than the Bond's issue price (plus accrued OID , if any), the purchaser may be treated as having purchased the Bond with market discount (unless a statutory *de minimis* rule applies). Market discount is treated as ordinary income and generally is recognized on the maturity or earlier disposition of the Bond (to the extent that the gain realized does not exceed the accrued market discount on the Bond).

Bond Premium

A holder that acquires a Bond for an amount in excess of its stated redemption price at maturity generally must, from time to time, reduce the holder's federal and Minnesota tax bases for the Bond. Premium generally is amortized for federal income tax purposes and Minnesota income and franchise tax purposes on the basis of a bondholder's constant yield to maturity or to certain call dates with semiannual compounding. Accordingly, holders who acquire Bonds at a premium might recognize taxable gain upon sale of the Bonds, even if such Bonds are sold for an amount equal to or less than their original cost. Amortized premium is not deductible for federal income tax purposes or for purposes of the Minnesota income tax applicable to individuals, estates, and trusts.

Related Tax Considerations

Section 86 of the Code and corresponding provisions of Minnesota law require recipients of certain social security and railroad retirement benefits to take interest on the Bonds into account in determining the taxability of such benefits.

Section 265(a) of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Bonds, and Minnesota law similarly denies a deduction for such interest in the case of individuals, estates, and trusts. In the case of a financial institution, generally, no deduction is allowed under section 265(b) the Code for that portion of the holder's interest expense that is allocable to interest on tax-exempt obligations, such as the Bonds, unless the obligations are "qualified tax-exempt obligations." Indebtedness may be allocated to the Bonds for this purpose even though not directly traceable to the purchase of the Bonds. The Bonds are not "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Income or loss on the Bonds may be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations.

The ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may affect a holder's federal, state, or local tax liability in some additional circumstances. The nature and extent of these other tax consequences depends upon the particular tax status of the holder and the holder's other items of income or deduction.

Sale or Other Disposition

A holder will generally recognize gain or loss on the sale, exchange, redemption, retirement, or other disposition of a Bond equal to the difference between (i) the amount realized less amounts attributable to any accrued but unpaid stated interest and (ii) the holder's adjusted tax basis in the Bond. The amount realized includes the cash and the fair market value of any property received by the holder in exchange for the Bond. A holder's adjusted tax basis in a Bond generally will be equal to the amount that the holder paid for the Bond, increased by any accrued OID with respect to the Bond and reduced by the amount of any amortized bond premium on the Bond. Except to the extent attributable to market discount (which will be taxable as ordinary income to the extent not previously included in income), any gain or loss will be capital gain or loss and will be long-term capital gain or loss if the holder held the Bond for more than one year. Long-term capital gains recognized by certain non-corporate persons, including individuals, generally are taxable at a reduced rate. The deductibility of capital losses is subject to significant limitations.

Information Reporting and Backup Withholding

Payments of interest on the Bonds (including any allocable bond premium or accrued OID t) and proceeds from the sale or other disposition of the Bonds are expected to be reported to the IRS as required under applicable Treasury Regulations. Backup withholding will apply to these payments if the holder fails to provide an accurate taxpayer identification number and certification that it is not subject to backup withholding (generally on an IRS Form W-9) or otherwise fails to comply with the applicable backup withholding requirements. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against the holder's U.S. federal income tax liability, provided that the required information is timely furnished to the IRS. Certain holders are exempt from information reporting. Potential holders should consult their own tax advisors regarding qualification for an exemption and the procedures for obtaining such an exemption.

MUNICIPAL ADVISOR

The Authority and the City have retained Baker Tilly Municipal Advisors, LLC (the "Municipal Advisor" or "BTMA") as municipal advisor in connection with certain aspects of the issuance of the Bonds. BTMA is a municipal advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. BTMA is a subsidiary of Baker Tilly Advisory Group, LP ("BTAG") which is indirectly owned by (a) H&F Waterloo Holdings, L.P., an affiliate of Hellman & Friedman LLC ("H&F"), an investment adviser registered with the Securities and Exchange Commission (the "SEC"), (b) Valeas Capital Partners Fund I Waterloo Aggregator LP, an affiliate of Valeas Capital Partners Management LP ("Valeas"), an investment adviser registered with the SEC, and (c) individuals who are principals of BTAG. None of these parties own a majority interest in BTAG, or indirectly, BTMA. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, operate under an alternative practice structure and are members of the global network of Baker Tilly International, Ltd. Baker Tilly US, LLP ("BTUS") is a licensed CPA firm providing assurance services to its clients. BTAG and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

BTMA has been retained by the Authority and the City to provide certain municipal advisory services to the Authority and the City and, in that capacity, has assisted the Authority and the City in preparing this Official Statement. The information contained in the Official Statement has been compiled from the sources stated or, if not otherwise sourced, from records and other materials provided by the Authority and the City. The Municipal Advisor makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Official Statement, and its assistance in preparing this Official Statement should not be construed as a representation that it has independently verified such information.

The Municipal Advisor's duties, responsibilities and fees arise solely as Municipal Advisor to the Authority and the City, and it has no secondary obligations or other responsibility. The Municipal Advisor's fees are expected to be paid from proceeds of the Bonds. BTMA provides certain specific municipal advisory services to the Authority and the City but is neither a placement agent to the Authority and the City nor a broker/dealer.

Other Financial Industry Activities and Affiliations:

Baker Tilly Wealth Management, LLC ("BTWM"), an SEC registered investment adviser, and Baker Tilly Capital, LLC ("BTC"), a broker/dealer registered with the SEC and member of the Financial Industry Regulatory Authority ("FINRA"), are controlled subsidiaries of BTAG. Both H&F and Valeas, are registered with the SEC as investment advisers and serve as managers of, or advisers to, certain private investment funds, some of which indirectly own BTAG.

BTWM and other subsidiaries of BTAG may provide advisory services to the clients of BTMA. BTMA has no other activities or arrangements that are material to its municipal advisory business or its clients with a related person who is a broker-dealer, investment

THE TRUSTEE

The Authority has appointed U.S. Bank Trust Company, National Association, Saint Paul, Minnesota, a national banking association organized under the laws of the United States of America, to serve as Trustee for the Bonds. The Trustee is a national banking association organized and existing under the laws of the United States of America, having all of the powers of a bank, including fiduciary powers, and is a member of the Federal Deposit Insurance Corporation and the Federal Reserve System. The Trustee is only responsible to carry out those specific duties assigned to it under the Indenture. Except for the contents of this section, the Trustee has not reviewed or participated in the preparation of this Official Statement and assumes no responsibility for the nature, contents, accuracy, fairness or completeness of the information set forth in this Official Statement or for the recitals contained in the Indenture, or the Bonds, or for the validity, sufficiency, or legal effect of any of such documents.

MISCELLANEOUS

The information contained in this Official Statement has been compiled from the Authority and the City officials and other sources deemed to be reliable, and while not guaranteed as to completeness or accuracy, it is believed to be correct as of this date. However, the Official Statement speaks only as of its date, and the information contained herein is subject to change.

The references, excerpts, and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights and obligations of the owners thereof.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Bonds.

CERTIFICATION

The Authority and the City have authorized the distribution of the Preliminary Official Statement for use in connection with the initial sale of the Bonds and a Final Official Statement following award of the Bonds. The Authority and the City certifies to the best of its knowledge and belief that this Official Statement, as of its date and as it relates to the Authority and its economic and financial condition, (i) is complete and accurate; (ii) does not contain any untrue statement of a material fact; and (iii) does not omit any material facts or information which would make the statements contained herein misleading.

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GENERAL INFORMATION CONCERNING THE CITY OF CHASKA, MINNESOTA

CITY PROPERTY VALUES

Trend of Values(1)

Assessment/ Collection Year	Assessor's Estimated Market Value	Sales Ratio(2)	Economic Market Value(3)	Market Value Homestead Exclusion	Taxable Market Value	Adjusted Taxable Net Tax Capacity
2023/24	$4,603,098,400	93.6%	$4,925,953,094	$39,482,000	$4,481,794,100	$50,564,554
2022/23	4,319,497,500	95.4	4,526,746,397	41,852,700	4,211,936,000	48,098,965
2021/22	3,536,714,700	86.7	4,077,914,727	64,033,600	3,413,565,400	39,734,514
2020/21	3,368,610,400	93.6	3,605,124,559	67,796,600	3,241,220,600	37,633,807
2019/20	3,281,441,700	98.2	3,341,985,928	68,005,600	3,146,456,700	36,527,116

(1) For a description of the Minnesota property tax system, see Appendix E.
(2) Sales Ratio Study for the year of assessment as posted by the Minnesota Department of Revenue, https://www.revenue.state.mn.us/economic-market-values and https://www.revenue.state.mn.us/economic-market-values-reports.
(3) Economic market values for the year of assessment as posted by the Minnesota Department of Revenue, https://www.revenue.state.mn.us/economic-market-values and https://www.revenue.state.mn.us/economic-market-values-reports.

2023/24 Adjusted Taxable Net Tax Capacity: $50,564,554(1)

Real Estate:		
Residential Homestead	$30,525,381	57.6%
Commercial/Industrial and Public Utility	13,018,657	24.6
Residential Non-Homestead	8,299,276	15.6
Agricultural, Commercial & Residential, and Seasonal/Recreational	650,747	1.2
Personal Property	538,598	1.0
2023/24 Net Tax Capacity	$53,032,659	100.0%
Less: Captured Tax Increment	(2,581,627)	
Less: Fiscal Disparity Contribution	(4,825,436)	
Plus: Fiscal Disparity Distribution	4,938,958	
2023/24 Adjusted Taxable Net Tax Capacity	$50,564,554	

(1) Excludes mobile home valuation of $160,402.

Ten of the Largest Taxpayers in the City

Taxpayer	Type of Property	2023/24 Net Tax Capacity
Aurora Investment LLC	Commercial/Agricultural	$ 821,957
United Healthcare Services Inc.	Commercial	617,686
Chaska Industrial Owner 1 LLC	Commercial	584,958
Centerpoint Energy	Utility	405,550
Flexential LLC(1)	Commercial	378,780
Chaska Heights Senior Living LLC	Rental/Residential	358,251
Arrow Hazeltine Shores LLC	Rental/Residential	345,001
SB Chaska Partners LLC	Rental Residential	321,946
FSI International Inc	Commercial	306,432
Ridgebrook Investments LLLP	Rental/Residential	303,824
Total		$4,444,385(2)

(1) Formerly Via West Inc.
(2) Represents 8.8% of the City's 2023/24 adjusted taxable net tax capacity.

CITY INDEBTEDNESS

Legal Debt Limit and Debt Margin(1)

Legal Debt Limit (3% of 2023/24 Estimated Market Value)	$138,092,952
Less: Outstanding Debt Subject to Limit	(91,001,000)
Legal Debt Margin as of January 30, 2025	$ 47,091,952

(1) The legal debt margin is referred to statutorily as the "Net Debt Limit" and may be increased by debt service funds and current revenues which are applicable to the payment of debt in the current fiscal year.

NOTE: Certain types of debt are not subject to the legal debt limit. See Appendix E – Debt Limitations.

General Obligation Debt Supported Solely by Taxes(1)

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 1-30-25
11-29-17	1,960,000	Equipment Certificates	2-1-2027	$ 760,000
11-06-19	1,240,000	Equipment Certificates	2-1-2029	765,000
12-28-23	8,815,000	Equipment Certificates	2-1-2043	8,815,000
Total				$10,340,000

(1) These issues are subject to the legal debt limit.

General Obligation Special Assessment Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 1-30-25
08-15-12	$2,430,000	Improvements	2-1-2028	$ 695,000
08-15-12	3,295,000	Improvement Refunding	2-1-2027	645,000
12-30-14	3,080,000	Improvements	2-1-2030	1,360,000
08-19-15	5,940,000	Improvements	2-1-2031	3,310,000
11-29-17	6,875,000	Improvements	2-1-2038	5,605,000
11-29-17	1,790,000	Taxable Improvements	2-1-2033	1,010,000
12-27-17	995,000	Improvements Refunding	2-1-2029	525,000
11-06-19	4,440,000	Improvements	2-1-2039	3,565,000
12-04-19	1,250,000	Taxable Improvements	2-1-2035	940,000
12-04-19	1,740,000	Improvements Refunding	2-1-2033	995,000
09-02-20	1,725,000	Improvements	2-1-2037	1,515,000
09-02-20	2,205,000	Taxable Improvements Refunding	12-1-2034	1,480,000
12-28-23	1,250,000	Improvements	2-1-2038	1,250,000
12-19-24	2,490,000	Improvements	2-1-2040	2,490,000
Total				$25,385,000

General Obligation Tax Increment Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 1-30-25
12-27-17	$ 460,000	Taxable Tax Increment Refunding	2-1-2031	$ 285,000
12-04-19	2,600,000	Taxable Tax Increment	2-1-2040	2,480,000
Total				$2,765,000

General Obligation Tax Abatement Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 1-30-25
11-29-17	$245,000	Taxable Tax Abatement	2-1-2039	$195,000
09-02-20	375,000	Taxable Tax Abatement Refunding	12-1-2034	270,000
Total				$465,000

General Obligation State-Aid Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 1-30-25
01-14-21	$4,940,000	State Aid Street	4-1-2041	$ 4,390,000
12-19-24	$8,810,000	State Aid	2-1-2045	8,810,000
Total				$13,200,000

General Obligation Utility Revenue Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 1-30-25
08-15-12	$ 1,380,000	Water/Sewer Revenue Refunding	2-1-2027	$ 260,000
12-30-15	5,170,000	Utility Revenue	2-1-2036	3,420,000
11-29-17	735,000	Utility Revenue	2-1-2038	585,000
11-06-19	2,135,000	Utility Revenue	2-1-2035	1,645,000
12-04-19	780,000	Taxable Utility Revenue	2-1-2030	495,000
09-02-20	1,215,000	Utility Revenue	2-1-2031	925,000
09-02-20	7,845,000	Taxable Utility Revenue Refunding	12-1-2032	5,895,000
Total				$13,225,000

General Obligation Housing Revenue Debt(1)

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 1-30-25
10-07-20	$2,200,000	Governmental Refunding (Brickyard)	1-1-2040	$1,790,000

(1) Issued by the Carver County Community Development Agency and secured by the general obligation of the City. Rental revenue and other related sources are used to pay this debt.

Lease Obligations(1)

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 1-30-25
04-15-15	$12,855,000	Taxable Lease Revenue	2-1-2035	$ 6,285,000
04-15-15	9,000,000	Lease Revenue	2-1-2035	205,000(2)
12-30-15	3,410,000	Taxable Lease Revenue	2-1-2031	1,820,000
12-30-15	1,085,000	Lease Revenue	2-1-2026	245,000
12-27-17	1,880,000	Senior Center Addition Refunding	12-1-2027	645,000
09-02-20	2,310,000	Lease Revenue Refunding	12-1-2033	1,750,000
12-31-21	3,560,000	Lease Purchase	12-1-2041	3,164,000
07-17-24	49,650,000	Lease Revenue	2-1-2054	49,650,000
1-16-25	3,972,000	Lease Purchase	21-2044	3,972,000
01-30-25	6,125,000	Lease Revenue Refunding (the Bonds)	2-1-2034	6,125,000
Total				$73,861,000

(1) Issued by the Economic Development Authority of the City of Chaska, Minnesota (the "Authority") and payable from annual appropriation lease payments made by the City to the Authority. These issues are subject to the legal debt limit.
(2) Excludes the Refunded Maturities.

Installment Purchase Revenue Debt(1)

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 1-30-25
03-9-20	$6,285,000	Taxable Full-Term Installment Purchase Revenue	12-1-2040	$5,460,000
07-8-20	1,530,000	Taxable Full-Term Installment Purchase Revenue	12-1-2040	1,340,000
Total				$6,800,000

(1) Issued by the Authority and payable from annual installment payments made by the City to the Authority. These issues are subject to the legal debt limit.

Electric Revenue Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 1-30-25
09-06-17	$7,220,000	Electric Revenue	10-1-2037	$5,255,000
12-29-20	1,830,000	Electric Revenue Refunding	10-1-2031	1,250,000
Total				$6,505,000

MMPA Revenue Debt(1)

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 1-30-25
10-01-15	$21,760,000	Electric Revenue Refunding (MMPA)	10-1-2030	$10,535,000

(1) Issued by the City but payable from payments made by the Minnesota Municipal Power Agency to the City pursuant to an agency contract and not from the operation of the electric system of the City (i.e., not secured on a parity with the City's outstanding electric revenue debt).

Estimated Calendar Year Debt Service Payments

Year	G.O. Debt Supported Solely by Taxes		G.O. Special Assessment Debt	
	Principal	Principal & Interest	Principal	Principal & Interest
2025 (at 1-30)	$ 635,000	$ 1,099,813	$ 2,595,000	$ 3,395,613
2026	705,000	1,136,313	2,765,000	3,514,860
2027	735,000	1,130,313	2,895,000	3,541,915
2028	500,000	864,438	2,770,000	3,312,229
2029	525,000	864,663	2,685,000	3,135,040
2030	375,000	693,013	2,380,000	2,743,588
2031	390,000	688,888	2,170,000	2,448,428
2032	410,000	688,888	1,610,000	1,823,243
2033	430,000	687,888	1,660,000	1,824,128
2034	455,000	690,763	960,000	1,083,969
2035	475,000	687,513	800,000	895,694
2036	500,000	688,138	560,000	631,966
2037	525,000	687,513	580,000	630,397
2038	550,000	685,638	465,000	494,144
2039	580,000	690,288	265,000	278,963
2040	600,000	686,688	225,000	229,500
2041	625,000	687,188		
2042	650,000	687,500		
2043	675,000	687,656		
Total	$10,340,000(1)	$14,733,102	$25,385,000(2)	$29,983,677

(1) 49.9% of this debt will be retired within ten years.
(2) 88.6% of this debt will be retired within ten years.

Estimated Calendar Year Debt Service Payments (Continued)

	G.O. Tax Increment Debt		G.O. Tax Abatement Debt	
Year	Principal	Principal & Interest	Principal	Principal & Interest
2025 (at 1-30)	$ 120,000	$ 200,995	$ 35,000	$ 44,228
2026	125,000	202,220	40,000	48,828
2027	125,000	198,283	40,000	48,343
2028	135,000	204,195	45,000	52,773
2029	145,000	210,008	45,000	52,093
2030	150,000	210,843	45,000	51,368
2031	155,000	211,550	55,000	60,514
2032	125,000	177,610	55,000	59,466
2033	130,000	179,040	15,000	18,364
2034	130,000	175,270	15,000	17,846
2035	140,000	181,220	15,000	17,329
2036	145,000	181,945	15,000	16,811
2037	155,000	187,406	15,000	16,294
2038	165,000	192,526	15,000	15,776
2039	175,000	197,341	15,000	15,259
2040	645,000	654,836		
Total	$2,765,000(1)	$3,565,288	$465,000(2)	$535,292

	G.O. State Aid Debt		G.O. Utility Revenue Debt	
Year	Principal	Principal & Interest	Principal	Principal & Interest
2025 (at 1-30)	$ 205,000	$ 543,083	$ 1,360,000	$ 1,649,114
2026	440,000	917,410	1,405,000	1,667,246
2027	505,000	960,960	1,435,000	1,668,286
2028	530,000	962,335	1,375,000	1,576,579
2029	555,000	962,560	1,440,000	1,609,475
2030	580,000	961,635	1,475,000	1,611,969
2031	605,000	963,460	1,420,000	1,525,201
2032	620,000	958,235	1,310,000	1,387,628
2033	650,000	966,985	525,000	576,463
2034	670,000	964,415	535,000	571,659
2035	690,000	960,675	460,000	482,272
2036	720,000	965,505	385,000	394,256
2037	745,000	963,870	50,000	52,313
2038	770,000	960,795	50,000	50,781
2039	795,000	958,825		
2040	825,000	963,180		
2041	850,000	961,408		
2042	575,000	661,300		
2043	600,000	662,800		
2044	625,000	663,300		
2045	645,000	657,900		
Total	$13,200,000(3)	$18,540,636	$13,225,000(4)	$14,823,242

(1) 48.5% of this debt will be retired within ten years.
(2) 83.9% of this debt will be retired within ten years.
(3) 40.6% of this debt will be retired within ten years.
(4) 92.8% of this debt will be retired within ten years.

Estimated Calendar Year Debt Service Payments (Continued)

	G.O. Housing Revenue Debt		Lease Obligations	
Year	Principal	Principal & Interest	Principal	Principal & Interest(1)
2025 (at 1-30)	(Paid)	$ 15,920	$ 2,199,000	$ 5,250,955
2026	$ 105,000	135,790	2,858,000	5,962,022
2027	110,000	138,640	2,850,000	5,829,007
2028	110,000	136,440	2,751,000	5,600,510
2029	110,000	134,240	2,868,000	5,588,438
2030	115,000	137,450	3,001,000	5,586,162
2031	115,000	136,070	3,143,000	5,585,513
2032	115,000	134,690	2,982,000	5,281,482
2033	120,000	138,100	3,128,000	5,284,164
2034	120,000	136,300	3,037,000	5,042,354
2035	120,000	134,200	2,317,000	4,195,551
2036	125,000	136,750	1,759,000	3,540,995
2037	125,000	134,250	1,846,000	3,541,401
2038	130,000	136,700	1,935,000	3,539,564
2039	135,000	139,050	2,028,000	3,537,274
2040	135,000	136,350	2,127,000	3,536,317
2041			2,228,000	3,541,181
2042			2,069,000	3,290,369
2043			2,153,000	3,287,519
2044			2,242,000	3,286,069
2045			2,025,000	2,974,819
2046			2,105,000	2,972,219
2047			2,190,000	2,971,319
2048			2,275,000	2,967,019
2049			2,370,000	2,969,119
2050			2,465,000	2,965,878
2051			2,565,000	2,962,134
2052			2,670,000	2,959,163
2053			2,780,000	2,956,756
2054			2,895,000	2,954,709
Total	$1,790,000(2)	$2,060,940	$73,861,000(3)	$119,959,982

(1) Includes debt service on the Bonds and excludes the Refunded Maturities.
(2) 63.7% of this debt will be retired within ten years.
(3) 39.0% of this debt will be retired within ten years.

Estimated Calendar Year Debt Service Payments (Continued)

	Installment Purchase Revenue Debt		Electric Revenue Debt	
Year	Principal	Principal & Interest	Principal	Principal & Interest
2025 (at 1-30)	$ 350,000	$ 536,651	$ 485,000	$ 700,175
2026	355,000	534,628	505,000	700,775
2027	365,000	537,220	525,000	700,575
2028	370,000	534,294	550,000	704,575
2029	380,000	535,933	565,000	704,050
2030	395,000	542,133	585,000	705,250
2031	400,000	537,338	610,000	710,750
2032	410,000	536,050	415,000	495,400
2033	425,000	539,485	425,000	492,950
2034	435,000	537,492	440,000	495,200
2035	450,000	540,221	455,000	497,000
2036	465,000	542,522	465,000	493,350
2037	480,000	542,896	480,000	494,400
2038	495,000	542,792		
2039	505,000	537,226		
2040	520,000	536,352		
Total	$6,800,000(1)	$8,613,233	$6,505,000(2)	$7,894,450

(1) 57.1% of this debt will be retired within ten years.
(2) 78.5% of this debt will be retired within ten years.

	MMPA Revenue Debt	
Year	Principal	Principal & Interest
2025 (at 1-30)	$ 1,550,000	$ 2,076,750
2026	1,625,000	2,074,250
2027	1,715,000	2,083,000
2028	1,795,000	2,077,250
2029	1,885,000	2,077,500
2030	1,965,000	2,063,250
Total	$10,535,000	$12,452,000

Other Debt Obligations

Leases

The City has entered into various capital leases for Fitness Equipment. Information can be found in the City's Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023 for additional information.

Conduit Debt

From time to time, the City has issued Industrial Revenue Bonds (IRBs) and Housing Revenue Bonds (HRBs) (collectively the "Revenue Bonds") to provide financial assistance to private-sector entities for the acquisition and construction of industrial and housing facilities deemed to be in the public interest. The Revenue Bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the Revenue Bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the City, nor the State of Minnesota, nor any political subdivision thereof is obligated in any manner for repayment of the Revenue

Bonds. Accordingly, the Revenue Bonds are not reported as liabilities in the accompanying financial statements.

Overlapping Debt

Taxing Unit(1)	2023/24 Adjusted Taxable Net Tax Capacity	Est. G.O. Debt As of 1-30-25(2)	Debt Applicable to Tax Capacity in City Percent	Debt Applicable to Tax Capacity in City Amount
Carver County	$ 233,454,753	$ 23,930,000	21.7%	$ 5,192,810
I.S.D. No. 112 (Eastern Carve County)	136,782,116	121,967,000	37.0	45,127,790
Metropolitan Council	6,313,906,674	5,025,000(3)	0.8	40,200
Total				$50,360,800

(1) Only those units with outstanding general obligation debt are shown here.
(2) Excludes general obligation tax and aid anticipation certificates and revenue-supported debt.
(3) Excludes general obligation debt supported by wastewater revenues and housing rental payments. Includes certificates of participation.

Debt Ratios(1)

	G.O. Direct Debt	G.O. Direct & Overlapping Debt
2023/24 Estimated Market Value ($4,603,098,400)	2.89%	3.98%
Per Capita (29,034 – 2023 U.S. Census Estimate)	$4,574	$6,309

(1) Excludes general obligation utility revenue debt, general obligation housing revenue debt, electric revenue debt, MMPA revenue debt, and other debt obligations. Includes lease obligations and installment purchase revenue debt.

CITY TAX RATES, LEVIES AND COLLECTIONS

Tax Capacity Rates for a Resident in the City of Chaska

	2019/20	2020/21	2021/22	2022/23	2023/24 Total	2023/24 For Debt Only
Carver County	35.180%	34.634%	34.170%	29.267%	30.106%	1.393%
City of Chaska	28.425	30.068	31.625	31.185	35.947	0.000
I.S.D. No. 112 (Eastern Carver County)(1)	33.006	32.327	31.220	27.747	28.659	13.966
Special Districts(2)	4.973	5.014	4.846	4.688	4.626	1.257
Total	101.584%	102.043%	101.861%	92.887%	99.338%	16.616%

(1) In addition, Independent School District No. 112 (Easter Carver County) has a 2023/24 market value tax rate of 0.17200% spread across the market value of property in support of an excess operating levy.
(2) Special districts include Metropolitan Council, Metropolitan Transit District, Mosquito Control, the Lower Minnesota River Watershed District #1, the Carver County Rail Authority, the Carver County Community Development Agency, and the Chaska Economic Development Authority.

NOTE: This table includes only net tax capacity-based rates. Certain other tax rates are based on market value. See Appendix E.

Tax Levies and Collections

Levy/Collect	Net Levy(1)	Collected During Collection Year		Collected and/or Abated as of 12-31-23	
		Amount	Percent	Amount	Percent
2023/24	$19,939,632	(Not Yet Available)			
2022/23	14,995,915	$14,954,034	99.7%	$14,954,031	99.7%
2021/22	12,499,979	12,476,239	99.8	12,493,903	99.9
2020/21	11,213,750	11,183,052	99.7	11,213,027	99.9
2019/20	10,395,909	10,373,422	99.8	10,395,616	99.9

(1) The net levy excludes state aid for property tax relief and fiscal disparities, if applicable. The net levy is the basis for computing tax capacity rates. See Appendix E.

FUNDS ON HAND
As of November 30, 2024

General Fund	$ 5,204,905
Special Revenue Funds	714,487
Debt Service Funds	6,831,448
Capital Project Funds	60,546,255
Enterprise Fund	11,817,923
Internal Service Funds	4,336,937
Total Cash and Investments	$89,451,956

INVESTMENTS

The City may invest funds as authorized by Minnesota Statutes, as follows:

- Direct obligations or obligations guaranteed by the United States or its agencies.
- Shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less.
- General obligations rated “A” or better.
- Revenue obligations rated “AA” or better.
- General obligations of the Minnesota Housing Finance Agency rated “A” or better.
- Banker's acceptances of United States banks eligible for purchase by the Federal Reserve System.
- Commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
- Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, with a credit quality in one of the top two highest categories.

- Repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding $10,000,000, that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.

The City's investments are managed to attain a market rate of return while protecting capital. The City has the following mix of investment types as of September 30, 2024: 9.4% in First American Treasury Obligations, 30.0% in mutual funds and 5.3 % in money markets 51.9% in U.S. Government Agencies, 2.6%% in State and Local Bonds, and 0.8% in Negotiable CDs. The Administrative Services Director (Treasurer) and City Administrator are charged with the responsibility of conducting investment transactions.

GENERAL INFORMATION CONCERNING THE CITY

The City is the county seat of Carver County, and is located approximately 18 miles southwest of Minneapolis and is part of the Minneapolis-Saint Paul metropolitan area. The City encompasses an area of approximately 18 square miles (11,520 acres).

Population

The City's population trend is shown below.

	Population	Percent Change
2023 U.S. Census Estimate	29,034	4.4%
2020 U.S. Census	27,810	17.0
2010 U.S. Census	23,770	36.2
2000 U.S. Census	17,449	53.9
1990 U.S. Census	11,339	35.9
1980 U.S. Census	8,346	--

Sources: United States Census Bureau, http://www.census.gov/.

The City's estimated population by age group for the past five years is as follows:

Data Year/ Report Year	0-17	18-34	35-64	65 and Over
2023/24	7,227	5,858	11,595	3,969
2022/23	7,331	5,654	11,903	3,568
2021/22	7,555	5,416	11,932	3,360
2020/21	7,493	5,419	11,867	3,149
2019/20	7,372	5,424	11,589	2,930

Source: Claritas, LLC.

Transportation

Major transportation routes serving the City include U.S. Highways 212 and 169 and State Highway 41. In addition, Interstate 494 is approximately 10 miles northeast of the City. Twin Cities and Western Railroad provides rail service to the City. Air transportation by major airlines is available at the Minneapolis-St. Paul International Airport, less than a half-hour drive from the City, and at the Flying Cloud Airport, approximately 10 miles east of the City.

Major Employers

Employer	Product/Service	Approximate Number of Employees
Independent School District No. 112 (Eastern Carver County)	Public education	1,210
Entegris Inc.	Semiconductor processing	802
Lake Region Manufacturing Co., Inc.	Catheter components	740
Carver County	County government	551
Apex International, MFG	Home-care product manufacturer	400
Old National Bank	Banking services	400
Beckman-Coulter, Inc.	Diagnostic reagents	381
TEL-FSI, Inc	Semi-centrifugal products	290
Import Specialties, Inc.	Automotive services	250
City of Chaska	City government	176

Note: Previously reported information was obtained through a telephone survey of individual employers. Any differences may be attributable to the change in the source of this information, as provided below.

Source: Information obtained from D&B Hoovers, https://app.dnbhoovers.com/. This does not purport to be a comprehensive list.

Labor Force Data

	Annual Average				October
	2020	2021	2022	2023	2024
Labor Force:					
Carver County	59,771	58,293	59,102	59,767	59,383
MSA	2,038,876	1,982,486	2,004,153	2,023,956	2,004,607
State of Minnesota	3,122,015	3,049,037	3,077,500	3,099,922	3,100,232
Unemployment Rate (%):					
Carver County	5.2%	3.0%	2.1%	2.4%	2.3%
MSA	6.5	3.7	2.5	2.7	2.7
State of Minnesota	6.3	3.7	2.7	2.8	3.4

Source: Minnesota Department of Employment and Economic Development, https://apps.deed.state.mn.us/lmi/laus. 2024 data are preliminary.

Retail Sales and Effective Buying Income (EBI)

City of Chaska

Data Year/ Report Year	Total Retail Sales ($000)	Total EBI ($000)	Median Household EBI
2023/24	$337,393	$1,232,618	$82,337
2022/23	343,613	1,158,627	79,386
2021/22	291,283	1,152,443	80,163
2020/21	270,283	1,097,052	76,545
2019/20	305,490	1,069,092	78,299

Carver County

Data Year/ Report Year	Total Retail Sales ($000)	Total EBI ($000)	Median Household EBI
2022/23	$1,331,138	$5,009,240	$90,953
2022/23	1,414,686	5,063,203	91,382
2021/22	1,245,104	5,095,911	91,347
2020/21	1,194,759	4,593,426	83,278
2019/20	1,347,523	4,501,253	84,734

The 2023/24 Median Household EBI for the State of Minnesota was $73,750. The 2022/23 Median Household EBI for the United States was $64,600.

Source: Claritas, LLC.

Permits Issued by the City

	New Single Family Residential		New Commercial/Industrial		Total Value(1) (All Permits)
	Number	Value	Number	Value	
2024 (to 11/30)	161	$61,675,791	87	$ 57,593,937	$130,548,757
2023	211	75,389,667	99	139,897,098	225,276,101
2022	180	57,411,144	67	85,702,856	164,120,361
2021	214	71,543,619	43	13,041,285	120,301,623
2020	113	28,362,364	38	8,370,259	51,398,828
2019	122	32,288,490	34	7,237,100	46,553,957
2018	79	36,288,936	49	14,207,139	57,621,735
2017	103	24,339,375	43	69,145,998	105,409,067
2016	144	40,503,141	38	14,769,385	70,331,176
2015	137	53,330,048	42	25,564,786	87,170,651

(1) In addition to building permits, the total value includes all other permits issued by the City (i.e. heating, lighting, plumbing, roof replacement, etc.).

Source: City of Chaska.

Recent Development

As per the Metropolitan Council Community Profile of the City, in 2022 (2023 data not yet available) there were approximately 7,230 single-family homes, 708 single-family attached townhomes, 44 multi-family homes (consisting of two, three, and four units), 2423 multi-family homes (consisting of five or more units), and 682 manufactured homes located within the City. In 2023, over 12 months, there were 0 single-family townhomes, and 206 new detached single-family homes constructed. The average value of a new home has increase/decreased by 4.54%, from $353,980 in 2021 to $337,905 as of December 31, 2022.

The status of single-family lot availability as of November 30, 2024 is as follows:

Subdivision Name	Available Lots	Total Lots	Permits Issued to Date
Single Family			
Chaska Bluffs 2nd	7	17	10
Clover Field 7th	1	11	10
Club West Seventh Addition	1	42	41
Club West Eighth Addition	0	43	43
Club West Ninth Addition	1	13	12
Club West Tenth Addition	2	4	2
Club West Eleventh Addition	7	19	12
Del Webb at Chaska	2	92	90
Del Webb at Chaska 2nd	22	179	157
Ensconced Woods	18	29	11
Harvest West	0	72	72
Harvest West 2nd	1	56	55
Harvest West 3rd	14	94	80
Klein Brickyard Thirteenth Addition	0	20	20
Oak Creek	24	57	33
Oak Creek 2nd	44	45	1
Reserve at Autumn Woods 1st	10	86	76
Rivertown Heights	12	44	32
Savanna Estates 2nd Addition	2	11	9
Savanna Estates 3rd Addition	3	26	23
Hidden Maples	2	4	2
Kusske Estates	2	2	0
Single Family Subtotal	175	966	791
Multiple Family			
Pioneer Vista	0	54	54
Grand Total	175	1,020	845

Commercial and Industrial Development

The City continues its multi-year program to reconstruct streets in the historic downtown core as a part of its Downtown Master Plan. This reconstruction has reinvigorated the coordination and planning efforts for the transformation of another downtown block, which will be called City Square West. The City envisions a gathering space that attracts citizens to come downtown to enjoy new and readily accessible services, and it is anticipated that construction will begin in 2024.

Other development activities include:

• *SW Chaska Master Plan*. The City has completed its SW Chaska Master Plan, which guides development and land use of an undeveloped two-plus square mile area in the southwest area of the City along Highway 212. While most of the area was originally determined to be residential, the new master plan allows for more corporate uses and allows residential development to be most consistent with current market conditions.

• *Highway 212 Interchange*. The City received $10.5 million in State funds to create an interchange at County Highway 44 and Trunk Highway 212. Construction of the $20.5 million interchange and improvements to County Highway 44 began in 2019 and was completed in 2020. The City and Carver County split the costs for the remaining $10 million portion of the project. The interchange project improves access to neighborhoods in the southwest area of the City and facilitates industrial development in this area.

• *Chaska Building Center Site*. The City has been working to redevelop a former building center site on County Road 61 just east of downtown. The 12-acre site was previously home to dilapidated industrial buildings, which have since been demolished. To date, a portion of the site has been developed for affordable multi-family housing, another portion has been redeveloped into a cabinet milling facility for DDK Construction, Inc., and another portion was redeveloped into a 30,000 square-foot medical device manufacturer for Formacoat. The remaining four acres of the site is under construction as the Chaska Tech Center, which is intended to be a small-business catalyst site. Completion of this development is estimated to be in 2024.

• *Schram Brew Haus*. The City has facilitated the redevelopment of a former Carver County public works building on the west side of downtown on County Road 61 into a brewery and taproom called Schram Brew Haus. The City helped transfer ownership from Carver County to a development team who in turn renovated the building. This project returned the property to the tax rolls, established a productive use, and added an attraction in proximity to the City's historic downtown.

• *Data Center*. A proposed developer has a purchase agreement for a 150,000 square foot Data Center. This Data Center would be within the City's electric service territory. This data center is anticipated to use 190 MW and would be a direct sale from the power supplier.

Industrial Parks

There are two industrial parks located within the City with a combined capacity of 679 acres. Currently, there are over 100 enterprises occupying the parks, the larger of which include Lake Region Manufacturing, TEL-FSI, Inc., Beckman Coultier, Bailiwick, and Lifecore Biomedical. There are only two remaining sites in this industrial park, one with approximately 17 acres and one with approximately five acres. The five-acre site would be marketed for approximately $3 million, while the 17-acre site would be marketed for approximately $7 million. The City recently worked with three existing companies in the industrial parks on expansions totaling an additional 100,000 square feet.

The City has approximately 390 acres of corporate/industrial land planned for development since the opening of the new Highway 212. There is room for 5.5 million square feet of office/industrial space that will be marketed toward bioscience and high-tech companies. This is expected to add between $300 million and $500 million of taxable market value as well as 4,000 to 6,000 quality jobs when completed. With the opening of the Highway 212 Interchange, discussions with property owners are ongoing to develop this industrial park.

Education

Public Education

The following district serves the residents of the City:

School	Location	Grades	2023/24 Enrollment(1)
I.S.D. No. 112 (Eastern Carver County)	City of Chaska	K-12	9,254

(1) 2024/25 enrollment figures are not yet available.

Source: Minnesota Department of Education, www.education.state.mn.us.

Non-Public Education

City residents are also served by the following private schools:

School	Location	Grades	2023/24 Enrollment(1)
Jonathan Montessori	City of Chaska	PreK	8
St. John's Lutheran School	City of Chaska	K-8	209
Southwest Christian High School	City of Chaska	9-12	505

(1) 2024/25 enrollment figures are not yet available.

Source: Minnesota Department of Education, www.education.state.mn.us.

Post-Secondary Education

City residents have access to various colleges and universities located throughout the Minneapolis/Saint Paul metropolitan area.

GOVERNMENTAL ORGANIZATION AND SERVICES

Organization

The City was organized as a municipality in 1891 and became a statutory city in 1975. The City's governing body is the City Council, comprised of the Mayor and four Council members. The Mayor serves a two-year term of office; Council members are elected by ward to serve overlapping four-year terms.

The following individuals comprise the current City Council:

		Expiration of Term
Taylor Hubbard	Mayor	December 31, 2028
Jon Grau	Council Member, First Ward	December 31, 2026
Joshua Benesh	Council Member, Second Ward	December 31, 2028
McKayla Hatfield	Council Member, Third Ward	December 31, 2026
Leah Sheveland	Council Member, Fourth Ward	December 31, 2028

The daily management and administration of the City is under the direction of the City Administrator, Mr. Matthew Podhradsky. Mr. Podhradsky has served in this capacity since August 4, 2008. Mr. Podhradsky also serves as the City Clerk.

Mr. Noel Graczyk serves as Administrative Services Director and has been in this position since 1988. The Administrative Services Director also serves as City Treasurer and, with direction from the City Council, and shares responsibility for financial management with the City Administrator.

The City has 177 regular full-time employees, 334 part-time employees, and 44 paid on-call volunteer firefighters.

Municipal Services

The Water Utility System has approximately 7,981 municipal and 30 private connections served by three elevated water storage facilities and a ground storage tank with a combined capacity of 4.5 million gallons. In addition, there are six wells that have the capacity to pump 8,360 gallons per minute or approximately 13,400,000 gallons per day. In 2023, average demand was 3,614,753 gallons per day while peak demand reached 7,312,000 gallons per day. Total tap water hardness is 26 parts per million gallons of water. The water treatment plant has the capacity to treat 12.6 million gallons per day for iron and manganese removal to only trace levels.

The 2023 operating revenues of the water utility system were $5,194,001 with an average annual charge per household and commercial connection at approximately $543. In 2010, the City began billing water usage based on a rate structure with inclining steps. Rates for 2023 range from $2.06 to $5.12 per thousand gallons.

The Sewer Utility System has approximately 7,802 municipal and 27 private connections. Average demand in 2023 was 3,300,000 gallons per day while peak demand reached 4,120,000 gallons per day. All sewage treatment services are operated through Metropolitan Council Environmental Services.

The 2023 operating revenues of the sewer utility system were $6,761,550 with an average annual charge per household and commercial connection at approximately $734. The 2023 sewage use charge is $5.76 per thousand gallons. The established rates and charges for both the water and sewer systems produce revenues sufficient to operate the systems and pay debt service on those general obligation bonds that are payable from these revenues.

The Electric Utility System has approximately 11,538 connections. The electric utility's mission is to provide reliable electric service to its customers at competitive rates while making a profit that will be used to reduce community property taxes. The City owns and operates its own electric distribution system, purchasing electricity from the Minnesota Municipal Power Agency. The Agency is a joint venture on the part of the City with eleven other cities that have entered into agreements to purchase wholesale electric power. See "The Electric Utility" herein.

Storm Water Utility System. All property within the City is charged a rate for storm water utility services based on land use. The 2023 operating revenues of the storm water utility system were $1,775,622. The Resistance Equivalency Rate (RER) is $11.77.

Fire and Rescue Department. The City currently has a 44-member volunteer fire and rescue department, with a full-time Fire Chief. The City has a fully-equipped fire station with one pumper, seven various size tankers, a 100-foot aerial truck/pumper, eight fire trucks equipped with motorized pumps, an emergency/rescue vehicle, and other miscellaneous firefighting and rescue equipment.

Police Department. The City operates its own police department with 31 licensed police officers, including a chief of police and one full-time community service officer. Dispatching and jail facilities are coordinated through the Carver County Sheriff's Department.

Park and Recreational Facilities. The City's municipal park system encompasses approximately 992 acres of land consisting of 29 active recreation areas connected by a greenway system running from the Minnesota River to the Minnesota Landscape Arboretum. Virtually every home in Chaska is located no more than a quarter mile from the park system and most are connected by internal greenways within subdivisions. The 29 recreational areas offer a variety of facilities and activities to City residents including picnic areas with tables and electricity, cooking grills, drinking water, restrooms and shelter buildings, swimming, fishing, general playground equipment, baseball/softball fields, tennis courts, volleyball and basketball courts, hockey/skating rinks and horseshoe courts. The parks vary in size from two acres to 100 acres.

Community Center. The City operates an approximately 200,000 square-foot community center consisting of two ice arenas, gymnasiums, indoor running track, exercise machines, aquatic pools, racquetball courts, community rooms, offices, stage and auditorium, fitness center and the Lodge for Active Older Adults. The Center had 2023 operating revenues of $3,183,967.

Curling Arena and Event Center. The City operates a curling center with six lanes for curling and a restaurant, and an event center that seats 350 people is adjacent the arena. The Curling Arena and Event Center had operating revenues of $1,181,353 in 2023.

Municipal Golf Courses. The City operates two golf courses: The Loop at Chaska Golf Course, a nine-hole barrier-free course; and the Chaska Town Course, an 18-hole course. The golf courses had 2023 operating revenues of $0 and $3,145,142, respectively. The Loop at Chaska Golf Course is closed for business while undergoing a large reconstruction project. The course is anticipated to open in Spring 2024.

Labor Contracts

The status of labor contracts in the City is as follows:

Bargaining Unit	No. of Employees	Expiration Date of Current Contract
Teamsters No. 320	53	December 31, 2025
LELS (Patrol)	19	December 31, 2025
Police Supervisors	8	December 31, 2025
Total all labor contracts	80	
Non-unionized employees	96	
Total full-time employees	177	
Total part-time employees	334	
Volunteer Fire Department paid on-call employees	44	
Total employees	555	

Employee Pensions

All full-time employees and certain part-time employees of the City are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF), the Public Employees Police and Fire Fund (PEPFF) and the Public Employees Correctional Fund (PECF),which are cost-sharing multiple-employer retirement plans. In addition, the City participates in the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by PERA.

A detailed description of these plans, along with the City's required contributions to each plan, are represented in the City's Annual Comprehensive Financial Reports. The City's Annual Comprehensive Financial Report for fiscal year ended December 31, 2023 is included as Appendix F of this Official Statement.

Other Postemployment Benefits

The issuer has obligations to its employees for post-employment benefits other than pensions, accounted for pursuant to the Government Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASB 75). The City's OPEB liabilities and associated contributions are represented in the City's Annual Comprehensive Financial Reports. The City's Annual Comprehensive Financial Report for fiscal year ended December 31, 2023 is included as Appendix F of this Official Statement.

Sources: City's Annual Comprehensive Financial Reports.

Federal Financial Assistance

As of the date of this Official Statement, the City has received $2,081,049 of CARES Act Assistance and $2,949,418.31 of American Rescue Plan Act (ARPA) Funds.

Major General Fund Revenue Sources

Revenue	2019	2020	2021	2022	2023
Property Taxes	$6,450,837	$7,715,569	$8,430,302	$9,238,259	$10,565,683
Charges for Services	4,140,543	4,891,208	5,329,623	6,021,951	6,396,998
Transfers In	4,801,298	4,481,486	4,395,954	4,622,856	4,870,595
Licenses and Permits	910,342	943,410	1,836,260	2,284,612	3,171,358
Intergovernmental	795,598	639,162	969,470	737,306	939,684
Other Revenue	160,743	309,109	344,451	429,036	377,233
Fines and Forfeitures	64,114	33,400	37,649	40,684	50,110

Sources: City's Annual Comprehensive Financial Reports.

General Fund Budget Summary

	2023 Budget	2023 Actual (unaudited)l	2024 Budget
Revenues:			
Taxes	$ 11,352,388	$11,349,298	$14,138,947
Licenses and Permits	1,276,676	3,171,358	1,416,023
Intergovernmental	757,857	939,684	1,315,999
Charges for Services	6,290,495	6,396,998	6,783,617
Fines and Forfeits	40,223	50,110	41,027
Special Assessment	0	0	0
Investment Earnings	25,000	239,614	25,000
Other Revenue	189,850	377,233	230,160
Total Revenues	$19,932,489	$22,524,295	$23,950,773
Expenditures:			
General Government	$ 7,472,107	$ 7,079,127	$ 8,113,726
Public Safety	9,438,221	10,142,417	10,758,231
Public Works	2,927,842	2,850,198	3,206,038
Parks, Recreation and Arts	3,001,919	3,251,755	3,339,941
Unallocated	0	0	316,837
Debt Service	116,400	221,478	0
Total Expenditures	$22,956,489	$23,544,975	$25,734,773
Excess (Deficiency) of Revenues Over (Under) Expenditures	$(3,024,000)	$(1,020,680)	$(1,784,000)
Other Financing Sources (Uses):			
Transfers In	$ 5,004,000	$ 4,870,595	$ 4,898,000
Transfers Out	(1,980,000)	(1,984,196)	(3,114,000)
Total Other Financing Sources (Uses)	$ 3,024,000	$ 2,886,399	$ 1,784,000
Net Change in Fund Balance	$ 0	$ 1,865,719	$ 0
Beginning Fund Balance - January 1	$ 3,653,255	$ 3,653,225	$ 5,518,974
Ending Fund Balance - December 31	$ 3,653,255	$ 5,518,974	$ 5,518,974

Sources: City's Annual Comprehensive Financial Reports and 2024 Budget.

BOOK ENTRY

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or its agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or its agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to Authority or its agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

FORM OF BOND COUNSEL OPINION

Economic Development Authority
of the City of Chaska, Minnesota

D.A. Davidson & Co.
Plymouth, Minnesota

Re: $6,125,000 Lease Revenue Refunding Bonds, Series 2025B
Economic Development Authority of the City of Chaska, Minnesota

Ladies and Gentlemen:

We have acted as bond counsel in connection with the authorization, issuance and sale by Economic Development Authority of the City of Chaska, Minnesota (the "Issuer"), of its $6,125,000 Lease Revenue Refunding Bonds, Series 2025B, dated, as originally issued, as of January 30, 2025 (the "Bonds"). For the purpose of rendering this opinion, we have examined: (1) a Lease-Purchase Agreement, dated as of January 1, 2025 (the "Lease"), between the Issuer and the City of Chaska, Minnesota (the "City"); (2) a Trust Indenture, dated as of January 1, 2025 (the "Indenture"), between the Issuer and U.S. Bank Trust Company, National Association, as Trustee; (3) certified copies of the resolutions of the governing bodies of the Issuer and the City approving and authorizing the execution and delivery of the Bonds, the Lease, the Indenture and other documents, as the case may be; and (4) such other documents, certificates and opinions as we consider necessary in order to render this opinion. As to questions of fact material to our opinion, we have assumed the authenticity of and relied upon the proceedings, affidavits, certificates and other documents furnished to us without undertaking to verify the same by independent investigation.

From such examination and on the basis of existing law, it is our opinion that:

1. The Issuer is authorized by the Constitution and laws of the State of Minnesota to issue the Bonds, to apply the proceeds of the Bonds to the refinancing of the Project (as defined in the Lease), and to pledge the rental payments to be received pursuant to, and its interests in, the Lease as security for the payment of the principal of and interest on the Bonds.

2. The Lease has been duly authorized, executed and delivered by the Issuer and the City and is a valid instrument binding on the Issuer and the City and enforceable in accordance with its terms. The Indenture has been duly and validly authorized, executed and delivered by the Issuer and, assuming the due and valid authorization, execution and delivery thereof by the Trustee, is a valid instrument binding on the Issuer and enforceable in accordance with its terms.

3. The Bonds are valid and binding special obligations of the Issuer, enforceable in accordance with their terms and the terms of the Indenture, payable as to principal and interest from and secured by a valid and enforceable pledge of revenues derived from the Lease and from certain other revenues described in the Lease and the Indenture. Under the Lease, the Issuer is leasing the Project to the City, and the City agrees to pay to the Issuer rental payments, payable at times and in amounts sufficient to pay the principal of and interest on the Bonds when due. The rental payments are payable solely from moneys to be legally appropriated and provided for that purpose by the City. If the City Council fails to appropriate money for the payment of the rental payments coming due under the Lease for any fiscal year of the City, the City may terminate the Lease in the manner provided therein as of the

end of the preceding fiscal year, without penalty or liability on the part of the City to pay any rental payments coming due after the end of such fiscal year.

4. Interest on the Bonds (a) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on noncorporate taxpayers by Section 55 of the Code.

5. Interest on the Bonds (a) is excluded from taxable net income of individuals, estates, and trusts for Minnesota income tax purposes and (b) is not an item of tax preference for purposes of the Minnesota alternative minimum tax imposed on individuals, trusts, and estates.

The opinions expressed in paragraphs 1, 2, and 3 above are subject, as to enforceability, to the effect of any state or federal laws relating to bankruptcy, insolvency, reorganization, moratorium or creditors' rights and the application of equitable principles, whether considered at law or in equity.

The opinions expressed in paragraphs 4 and 5 above are subject to the compliance by the Issuer with certain requirements of the Code that must be satisfied subsequent to the issuance of the Bonds. Noncompliance with these requirements could result in the inclusion of interest on the Bonds in gross income for federal income tax purposes and taxable net income of individuals, estates, and trusts for Minnesota income tax purposes, retroactive to the date of issuance of the Bonds.

Except as stated herein, we express no opinion regarding federal, state, or other tax consequences to the owner of the Bonds. We note, however, that interest on the Bonds may be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations (as defined in Section 59(k) of the Code) and is included in net income of corporations and financial institutions for purposes of the Minnesota franchise tax.

In providing this opinion, we have relied upon representations of the Issuer and the City and their respective officers as to (i) the intended application of the proceeds of the Bonds, (ii) the nature, use, cost, and economic life of the facilities and equipment financed by the Bonds, and (iii) other matters relating to the exemption of the interest on the Bonds from federal income taxation.

We have not been asked, and have not undertaken, to review the accuracy, completeness or sufficiency of any offering materials relating to the Bonds, and, accordingly, we express no opinion with respect thereto.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may occur after the date hereof and which may be retroactive.

Dated this 30th day of January, 2025.

Very truly yours,

FORM OF CONTINUING DISCLOSURE COVENANTS

(a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the Securities Exchange Commission (the "SEC") under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the "Rule"), which will enhance the marketability of the Bonds, the Authority hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the Outstanding Bonds. The Authority and the City are the only obligated persons in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made. If the City or Authority fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any Outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, Owner or Bondowner means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, Beneficial Owner means, in respect of a Bond, any person or entity which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The Authority will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the Authority, the following information at the following times:

(1) on or before twelve (12) months after the end of each fiscal year of the City, commencing with the fiscal year ending December 31, 2024, the following financial information and operating data in respect of the City (the "Disclosure Information"):

(A) the audited financial statements of the City for such fiscal year, prepared in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the City, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the City; and

(B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under the headings: "Appendix A – General and Financial Information Concerning the City of Chaska, Minnesota – City Property Values;" "– City Indebtedness;" and "– City Tax Rates, Levies and Collections."

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the Authority shall provide on or before such date unaudited financial statements and, within 10 days after the receipt thereof, the Authority shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been submitted to the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access System ("EMMA") or the SEC. The Authority shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the City or the Authority have materially changed or been discontinued, such Disclosure Information need no longer be provided if the Authority includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other Authority or City operations in respect of which data is not included in the Disclosure Information and the Authority determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (2) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1) or subsection (d), then the Authority shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

(2) In a timely manner, not in excess of 10 business days after the occurrence of the event, to the MSRB through EMMA, notice of the occurrence of any of the following events (each a "Material Fact"):

(A) principal and interest payment delinquencies;
(B) non-payment related defaults, if material;
(C) unscheduled draws on debt service reserves reflecting financial difficulties;
(D) unscheduled draws on credit enhancements reflecting financial difficulties;
(E) substitution of credit or liquidity providers, or their failure to perform;
(F) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
(G) modifications to rights of holders of the Bonds, if material;
(H) bond calls, if material, and tender offers;
(I) defeasances;
(J) release, substitution or sale of property securing repayment of the Bonds, if material;

(K) rating changes;
(L) bankruptcy, insolvency, receivership, or similar event of the obligated person;
(M) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
(N) appointment of a successor or additional trustee or the change of name of a trustee, if material;
(O) incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
(P) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

For purposes of the events identified in paragraphs (O) and (P) above, the term “financial obligation” means (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

For the purposes of the event identified in (L) hereinabove, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

As used herein, for those events that must be reported if material, an event is “material” if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, an event is also “material” if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

(3) In a timely manner, to the MSRB through EMMA, notice of the occurrence of any of the following events or conditions:

(A) the failure of the Authority to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;

(B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the Authority under subsection (d)(2);

(C) the termination of the obligations of the Authority under this section pursuant to subsection (d);

(D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and

(E) any change in the fiscal year of the City.

(c) Manner of Disclosure.

(1) The Authority agrees to make available to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, the information described in subsection (b).

(2) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

(1) The covenants of the Authority in this section shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the Authority under this section shall terminate and be without further effect as of any date on which the Authority delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the Authority to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.

(2) This section (and the form and requirements of the Disclosure Information) may be amended or supplemented by the Authority from time to time, without notice to (except as provided in paragraph (c)(2) hereof) or the consent of the Owners of any Bonds, by a resolution of this Board filed in the office of the recording officer of the Authority accompanied by an opinion of Bond Counsel, who may rely on certificates of the Authority and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the Authority or the City or the type of operations conducted by the Authority or the City, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the

time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule.

If the Disclosure Information is so amended, the City agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

(3) This section is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.

SUMMARY OF TAX LEVIES, PAYMENT PROVISIONS, AND MINNESOTA REAL PROPERTY VALUATION

Following is a summary of certain statutory provisions relative to tax levy procedures, tax payment and credit procedures, and the mechanics of real property valuation. The summary does not purport to be inclusive of all such provisions or of the specific provisions discussed, and is qualified by reference to the complete text of applicable statutes, rules and regulations of the State of Minnesota.

PROPERTY VALUATIONS (CHAPTER 273, MINNESOTA STATUTES)

Assessor's Estimated Market Value. Each parcel of real property subject to taxation must, by statute, be appraised at least once every five years as of January 2 of the year of appraisal. With certain exceptions, all property is valued at its market value, which is the value the assessor determines to be the price the property to be fairly worth, and which is referred to as the "Estimated Market Value." The 2013 Minnesota Legislature established the Estimated Market Value as the value used to calculate a municipality's legal debt limit.

Economic Market Value. The Economic Market Value is the value of locally assessed real property (Assessor's Estimated Market Value) divided by the sales ratio as provided by the State of Minnesota Department of Revenue plus the estimated market value of personal property, utilities, railroad, and minerals.

Taxable Market Value. The Taxable Market Value is the value that Net Tax Capacity is based on, after all reductions, limitations, exemptions and deferrals.

Net Tax Capacity. The Net Tax Capacity is the value upon which net taxes are levied, extended and collected. The Net Tax Capacity is computed by applying the class rate percentages specific to each type of property classification against the Taxable Market Value. Class rate percentages vary depending on the type of property as shown on the last page of this Appendix. The formulas and class rates for converting Taxable Market Value to Net Tax Capacity represent a basic element of the State's property tax relief system and are subject to annual revisions by the State Legislature. Property taxes are the sum of the amounts determined by (i) multiplying the Net Tax Capacity by the tax capacity rate, and (ii) multiplying the referendum market value by the market value rate.

Market Value Homestead Exclusion. In 2011, the Market Value Homestead Exclusion Program (MVHE) was implemented to offset the elimination of the Market Value Homestead Credit Program that provided relief to certain homesteads. The MVHE reduces the taxable market value of a homestead with an Assessor's Estimated Market Value up to $413,800 in an attempt to result in a property tax similar to the effective property tax prior to the elimination of the homestead credit. The MVHE applies to property classified as Class 1a or 1b and Class 2a, and causes a decrease in the Authority's aggregate Taxable Market Value, even if the Assessor's Estimated Market Value on the same properties did not decline.

PROPERTY TAX PAYMENTS AND DELINQUENCIES (CHAPTERS 275, 276, 277, 279-282 AND 549, MINNESOTA STATUTES)

Ad valorem property taxes levied by local governments in Minnesota are extended and collected by the various counties within the State. Each taxing jurisdiction is required to certify the annual tax levy to the county auditor within five (5) working days after December 20 of the year preceding the collection year. A listing of property taxes due is prepared by the county auditor and turned over to the county treasurer on or before the first business day in March.

The county treasurer is responsible for collecting all property taxes within the county. Real estate and personal property tax statements are mailed out by March 31. One-half (1/2) of the taxes on real property is due on or before May 15. The remainder is due on or before October 15. Real property taxes not paid by their due date are assessed a penalty on homestead property of 2% until May 31 and increased to 4% on June 1. The penalty on nonhomestead property is assessed at a rate of 4% until May 31 and increased to 8% on June 1. Thereafter, an additional 1% penalty shall accrue each month through October 1 of the collection year for unpaid real property taxes. In the case of the second installment of real property taxes due October 15, a penalty of 2% on homestead property and 4% on nonhomestead property is assessed. The penalty for homestead property increases to 6% on November 1 and again to 8% on December 1. The penalty for nonhomestead property increases to 8% on November 1 and again to 12% on December 1. Personal property taxes remaining unpaid on May 16 are deemed to be delinquent and a penalty of 8% attaches to the unpaid tax. However, personal property that is owned by a tax-exempt entity, but is treated as taxable by virtue of a lease agreement, is subject to the same delinquent property tax penalties as real property.

On the first business day of January of the year following collection all delinquencies are subject to an additional 2% penalty, and those delinquencies outstanding as of February 15 are filed for a tax lien judgment with the district court. By March 20 the county auditor files a publication of legal action and a mailing of notice of action to delinquent parties. Those property interests not responding to this notice have judgment entered for the amount of the delinquency and associated penalties. The amount of the judgment is subject to a variable interest determined annually by the Department of Revenue, and equal to the adjusted prime rate charged by banks but in no event is the rate less than 10% or more than 14%.

Property owners subject to a tax lien judgment generally have three years (3) to redeem the property. After expiration of the redemption period, unredeemed properties are declared tax forfeit with title held in trust by the State of Minnesota for the respective taxing districts. The county auditor, or equivalent thereof, then sells those properties not claimed for a public purpose at auction. The net proceeds of the sale are first dedicated to the satisfaction of outstanding special assessments on the parcel, with any remaining balance in most cases being divided on the following basis: county - 40%; town or city - 20%; and school district - 40%.

PROPERTY TAX CREDITS (CHAPTER 273, MINNESOTA STATUTES)

In addition to adjusting the taxable value for various property types, primary elements of Minnesota's property tax relief system are: property tax levy reduction aids; the homestead credit refund and the renter's property tax refund, which relate property taxes to income and provide relief on a sliding income scale; and targeted tax relief, which is aimed primarily at easing the effect of significant tax increases. The homestead credit refund, the renter's property tax refund, and targeted credits are reimbursed to the taxpayer upon application by the taxpayer. Property tax levy reduction aid includes educational aids, local governmental aid, equalization aid, county program aid and disparity reduction aid.

DEBT LIMITATIONS

All Minnesota municipalities (counties, cities, towns, and school districts) are subject to statutory "net debt" limitations under the provisions of Minnesota Statutes, Section 475.53. Net debt is defined as the amount remaining after deducting from gross debt the amount of current revenues that are applicable within the current fiscal year to the payment of any debt and the aggregate of the principal of the following:

1. Obligations issued for improvements which are payable wholly or partly from the proceeds of special assessments levied upon property specially benefited thereby, including those which are general obligations of the municipality issuing them, if the municipality is entitled to reimbursement in whole or in part from the proceeds of the special assessments.

2. Warrants or orders having no definite or fixed maturity.

3. Obligations payable wholly from the income from revenue producing conveniences.

4. Obligations issued to create or maintain a permanent improvement revolving fund.

5. Obligations issued for the acquisition, and betterment of public waterworks systems, and public lighting, heating or power systems, and of any combination thereof or for any other public convenience from which a revenue is or may be derived.

6. Debt service loans and capital loans made to a school district under the provisions of Minnesota Statutes, Sections 126C.68 and 126C.69.

7. Amount of all money and the face value of all securities held as a debt service fund for the extinguishment of obligations other than those deductible under this subdivision.

8. Obligations to repay loans made under Minnesota Statutes, Section 216C.37.

9. Obligations to repay loans made from money received from litigation or settlement of alleged violations of federal petroleum pricing regulations.

10. Obligations issued to pay pension fund or other postemployment benefit liabilities under Minnesota Statutes, Section 475.52, subdivision 6, or any charter authority.

11. Obligations issued to pay judgments against the municipality under Minnesota Statutes, Section 475.52, subdivision 6, or any charter authority.

12. All other obligations which under the provisions of law authorizing their issuance are not to be included in computing the net debt of the municipality.

LEVIES FOR GENERAL OBLIGATION DEBT
(SECTIONS 475.61 AND 475.74, MINNESOTA STATUTES)

Any municipality that issues general obligation debt must, at the time of issuance, certify levies to the county auditor of the county(ies) within which the municipality is situated. Such levies shall be in an amount that if collected in full will, together with estimates of other revenues pledged for payment of the obligations, produce at least five percent in excess of the amount needed to pay principal and interest when due. Notwithstanding any other limitations upon the ability of a taxing unit to levy taxes, its ability to levy taxes for a deficiency in prior levies for payment of general obligation indebtedness is without limitation as to rate or amount.

METROPOLITAN REVENUE DISTRIBUTION (CHAPTER 473F, MINNESOTA STATUTES)
"FISCAL DISPARITIES LAW"

The Charles R. Weaver Metropolitan Revenue Distribution Act, more commonly known as "Fiscal Disparities," was first implemented for taxes payable in 1975. Forty percent of the increase in commercial-industrial (including public utility and railroad) net tax capacity valuation since 1971 in each assessment district in the Minneapolis/Saint Paul seven-county metropolitan area (Anoka, Carver, Dakota, excluding the City of Northfield, Hennepin, Ramsey, Scott, excluding the City of New Prague, and Washington Counties) is contributed to an area-wide tax base. A distribution index, based on the factors of population and real property market value per capita, is employed in determining what proportion of the net tax capacity value in the area-wide tax base shall be distributed back to each assessment district.

STATUTORY FORMULAE: CONVERSION OF TAXABLE MARKET VALUE (TMV) TO NET TAX CAPACITY FOR MAJOR PROPERTY CLASSIFICATIONS

Property Type	Local Tax Payable 2020-2023	Local Tax Payable 2024
Residential Homestead (1a)		
Up to $500,000	1.00%	1.00%
Over $500,000	1.25%	1.25%
Residential Non-homestead		
Single Unit (4bb)		
Up to $500,000	1.00%	1.00%
Over $500,000	1.25%	1.25%
2-3 unit and undeveloped land (4b1)	1.25%	1.25%
Market Rate Apartments		
Regular (4a)	1.25%	1.25%
Low-Income (4d)		
Up to $100,000[3]	0.75%	0.75%
Over $100,000[3]	0.25%	0.25%
Low-Income (4d1)		0.25%
Low-Income (4d2)		0.75%
Commercial/Industrial/Public Utility (3a)		
Up to $150,000	1.50%[1]	1.50%[1]
Over $150,000	2.00%[1]	2.00%[1]
Electric Generation Machinery	2.00%	2.00%
Commercial Seasonal Residential		
Homestead Resorts (1c)		
Up to $600,000	0.50%	0.50%
$600,000 - $2,300,000	1.00%	1.00%
Over $2,300,000	1.25%[1]	1.25%[1]
Seasonal Resorts (4c1)		
Up to $500,000	1.00%[1]	1.00%[1]
Over $500,000	1.25%[1]	1.25%[1]
Non-Commercial (4c12)		
Up to $500,000	1.00%[1][2]	1.00%[1][2]
Over $500,000	1.25%[1][2]	1.25%[1][2]
Disabled Homestead (1b)		
Up to $50,000	0.45%	0.45%
$50,000 - $500,000		1.00%
Over $500,000		1.25%
Agricultural Land & Buildings		
Homestead (2a)		
Up to $500,000	1.00%	1.00%
Over $500,000	1.25%	1.25%
Remainder of Farm		
Up to $3,500,000[4]	0.50%[2]	0.50%[2]
Over $3,500,000[4]	1.00%[2]	0.50%[2]
Non-homestead (2b)	1.00%[2]	1.00%[2]

(1) State tax is applicable to these classifications.

(2) Exempt from referendum market value-based taxes.

(3) Historical valuations are: Payable 2023 - $100,000; Payable 2022 - $100,000; Payable 2021 - $174,000; and Payable 2020 - $150,000.

(4) Legislative increases, payable 2024. Historical valuations are: Payable 2023 - $1,890,000; Payable 2022 - $1,890,000; Payable 2021 - $1,890,000; and Payable 2020 - $1,880,000.

NOTE: For purposes of the State general property tax only, the net tax capacity of non-commercial class 4c(1) seasonal residential recreational property has the following class rate structure: First $76,000 – 0.40%; $76,000 to $500,000 – 1.00%; and over $500,000 – 1.25%. In addition to the State tax base exemptions referenced by property classification, airport property exempt from city and school district property taxes under M.S. 473.625 is exempt from the State general property tax (MSP International Airport and Holman Field in Saint Paul are exempt under this provision).

SUMMARY OF FINANCING DOCUMENTS

The following summaries do not purport to be comprehensive or definitive and all references to the documents summarized below are qualified in their entirety by reference to the forms thereof and the information with respect thereto included in the following documents. Copies of these documents are available for inspection during the period of the offering at the offices of the Municipal Advisor, and thereafter at the principal office of the Trustee. REFERENCE IS MADE TO EACH DOCUMENT IN ITS ENTIRETY FOR A COMPLETE AND ACCURATE UNDERSTANDING OF THE FINANCING DOCUMENTS

DEFINITIONS

Additional Bonds means any additional bonds issued pursuant to the terms and conditions of the Indenture.

Authority Representative means the President or Executive Director of the Authority or any other person authorized to act on behalf of the Authority under or with respect to the Indenture, as evidenced by a certificate conferring such authority executed by the President, given to the Trustee and the City.

Bond Fund means the fund so named and created under the Indenture.

Bond Resolution means, collectively, the resolutions of the Authority adopted by the Board of Commissioners of the Authority on December 16, 2024, as amended on January 6, 2025, and a ratifying resolution adopted January 27, 2025, respectively, authorizing the issuance and sale and ratifying the sale of the Series 2025 Bonds, as the same may be amended, modified or supplemented by any amendments or modifications thereof.

Bond Year means a calendar year.

Bond or *Bonds* means the Series 2025 Bonds and any Additional Bonds.

Business Day means any day other than a Saturday, Sunday, or other day on which commercial banks in the city in which the principal corporate trust office of the Trustee is located are not open for business.

*Certificat*e means a certification in writing required or permitted by the provisions of the Lease or the Indenture, signed and delivered to the Trustee or other proper person or persons.

City means the City of Chaska, Minnesota, and its permitted successors and assigns under the Lease.

City Representative means the Mayor or City Administrator, or any person authorized by law to act on behalf of the City under or with respect to the Lease, as evidenced by a certificate conferring such authority executed by the City Administrator and given to the Trustee and the Authority.

Default means default by the Authority in the performance or observance of any of the covenants, agreements or conditions on its part contained in the Indenture, exclusive of any notice or period of grace required to constitute a default an “Event of Default” as described in the Indenture.

Escrow Agreement means the Escrow Agreement between the Trustee, acting as escrow agent, and the Authority, dated January 1, 2025.

Event of Default means an Event of Default described in the Indenture which has not been cured.

Fiscal Year means the fiscal year of the Authority; initially, the 12-month period commencing on January 1 in each year.

Holder, *Bondholder* or *Owner* means the person or persons in whose name any Bond is registered in the registration books maintained by the Trustee on behalf of the Authority.

Improvements means the improvements on the Land.

Indenture means this Trust Indenture under which the Bonds are authorized to be issued, and any amendments or supplements hereto entered into in accordance with the provisions hereof.

Independent Counsel means an attorney or firm of attorneys duly admitted to practice law before the highest court of any state and not an officer or full-time employee of the Authority or the City.

Interest Payment Date means the stated maturity of an installment of interest on any of the Bonds.

Internal Revenue Code means the Internal Revenue Code of 1986, as amended from time to time.

Land means the real property as described in the Indenture.

Lease means the Lease-Purchase Agreement, dated as of January 1, 2025, between the Authority, as lessor, and the City, as lessee, relating to the Series 2025 Bonds, as the same may be amended or supplemented pursuant thereto and hereto.

Opinion of Counsel means a written opinion of counsel (who need not be Independent Counsel unless so specified) appointed by the City or Authority or appointed by the Trustee, as applicable.

Outstanding means, when used as of any particular time with reference to Bonds (subject to the provisions of the Indenture pertaining to Bonds held by the Authority and the City) all Bonds theretofore authenticated and delivered by the Trustee under the Indenture except: (i) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (ii) Bonds deemed not outstanding pursuant to the terms of the Indenture; and (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to the terms of the Indenture pertaining to replacement of Bonds.

Payment Date means the fifth Business Day preceding each Interest Payment Date, which is the date upon which any Rental Payment is due and payable as provided in the Indenture.

Pledged Land means the real property described in the Lease, which real property is a portion of the Land.

Predecessor Bonds means every previous Bond evidencing all or a portion of the same debt as that evidenced by a particular Bond, including Bonds exchanged pursuant to the Indenture, and for purposes of this definition, any Bond authenticated and delivered under the Indenture in lieu of a lost, destroyed or stolen Bond shall be deemed to evidence the same debt as the lost, destroyed or stolen Bond.

Principal Payment Date means the stated maturity of principal of any Bond, or the mandatory sinking fund redemption date of any Bond.

Project means the Land and the improvements on the Land, as more fully described in the Lease and the Indenture.

Project Purchase Price means the amount necessary to defease, to the earliest permissible redemption date, the remaining Outstanding principal amount of Bonds, together with an amount equal to the Authority's and Trustee's fees and expenses in connection with such defeasance and redemption.

Qualified Investments means (1) any investments permitted pursuant to Sections 118A.04 and 118A.05, Minnesota Statutes, for the investment of public funds, and (2) shares in an open-ended registered investment company which exclusively purchases and holds direct, full faith and credit obligations of the United States or obligations of agencies or instrumentalities of the United States, the full and timely payment of which is unconditionally guaranteed by the United States (including repurchase agreements collateralized by such obligations), including funds for which the Trustee or its affiliates provide investment advisory or other management services.

Redeem or *Redemption* includes and means "prepay" or "prepayment," as the case may be. Rental Payment means any payment due from the City to the Authority under the Lease.

Refunded Bonds means the Authority's Lease Revenue Bonds, Series 2015B, dated as of April 15, 2015, and issued in the original principal amount of $9,000,000.

Replacement Costs means the costs of replacing the Project.

Replacement Project Fund means the fund so named and created under the Indenture.

Responsible Officer means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of the Indenture.

Series 2025 Bonds means the $6,125,000 Lease Revenue Refunding Bonds, Series 2025A, authorized by the Indenture and the Bond Resolution and described in the Indenture.

Trust Estate means the interest of the Authority in the Lease assigned under Granting Clause I of the Indenture; the revenues, money, investments, contract rights, general intangibles and instruments and proceeds and products and accessions thereof as set forth in Granting Clause

II of the Indenture; and additional property held by the Trustee pursuant to Granting Clause III of the Indenture.

Trustee means the trustee at the time serving as such under the Indenture

THE LEASE

The following is a summary of certain provisions of the Lease. The summary is qualified in its entirety by reference to the full text of that Lease.

Lease. Upon the terms and conditions set forth in the Lease, the Authority leases the Project to the City, and the City leases the Project from the Authority.

Possession and Enjoyment. During the Lease Term, the Authority covenants to provide the City with the quiet use and enjoyment of the Project; and the City will peaceably and quietly have and hold and enjoy the Project without suit, trouble or hindrance from the Authority, except as expressly set forth in the Lease.

Authority Access to Project. The Authority and any Authority Representative have the right at all reasonable times to examine and inspect the Project and such rights of access to the Project as reasonably necessary to properly maintain the Project.

Lease Term; Termination. The Lease will remain in effect with respect to the Project for a Lease Term commencing on its date of execution and continuing until no Bonds remain Outstanding, or until terminated. The Lease Term will terminate prior to February 1, 2034 upon the occurrence of the first of the following events: (a) termination of the Lease in the event of non-appropriation; (b) a default by the City and the Authority's election to terminate the Lease; or (c) the payment by the City of all Rental Payments due hereunder or the payment of the Purchase Price, together with any fees and expenses due the Authority or the Trustee under the Lease or the Indenture.

Rental Payments. The City will, by wire transfer in immediately available funds, pay Rental Payments with respect to the Project as follows:

(a) By each Rental Payment Date, the City will pay an amount equal to the interest, and principal, if any, due on the Bonds on the next succeeding Interest Payment Date.

(b) As a credit against the first interest payment otherwise required to be paid by the City to the Trustee pursuant to (a) above, there will be applied any accrued interest on the Bonds and proceeds of the Bonds initially deposited into the Bond Fund.

(c) On each Rental Payment Date, so long as no Event of Default has occurred and is continuing, the City will have a credit against the Rental Payment otherwise due on said date to the extent of any investment profits or earnings which have been transferred or are otherwise available in the Bond Fund for such purpose.

(d) In the event the City will have paid Rental Payments with respect to the next succeeding Interest Payment Date, but the funds on deposit in the Bond Fund are nevertheless insufficient to pay such principal, premium (if any) and interest on the Bonds then due or to become due on such Interest Payment Date, the City will forthwith pay, as Rental Payments, the amount of the deficiency.

The Rental Payments will be paid directly to the Trustee at its corporate trust office for the account of the City for deposit in the Bond Fund as provided in the Indenture.

Except as provided in the Lease, the obligation of the City to make Rental Payments due with respect to the Project or any other payments required thereunder will be absolute and unconditional in all events.

The obligations of the City under the Lease, including its obligation to pay the Rental Payments due with respect to the Project in any Fiscal Year for which the Lease is in effect, will constitute a current expense of the City for such Fiscal Year and will not constitute an indebtedness of the City within the meaning of the Constitution and laws of the State (except to the extent any amount of the Lease shall be included in the calculation of net debt for purposes of Minnesota Section 475.53, as provided in Minnesota Statutes, Section 465.71). Nothing in the Lease will constitute a pledge by the City of any taxes or other moneys, other than moneys lawfully appropriated from time to time by or for the benefit of the City's annual budget and the proceeds of the Bonds or Net Proceeds of the Project, to the payment of any Rental Payment or other amount coming due under the Lease.

Termination of the Lease; Non-appropriation. The City shall have the right to cancel and terminate the Lease, in whole but not in part, at the end of any Fiscal Year of the City, in the manner and subject to the terms specified in the Lease, if the City's governing body does not appropriate money sufficient to pay the Rental Payments coming due in the next Fiscal Year. Lack of a sufficient appropriation shall be evidenced by a specific provision in the budget of the City which prohibits the expenditure of the City funds for this purpose. The City may effect such termination by giving the Authority a written notice of termination and by paying to the Authority any Rental Payments which are due and have not been paid at or before the end of its then current Fiscal Year. The City shall endeavor to give notice of termination not less than one hundred twenty (120) days prior to the end of such Fiscal Year, and shall notify the Authority of any anticipated termination. In the event of termination of the Lease, the City shall deliver possession of the Improvements and the Pledged Land to the Authority, and release its interest in the same, as granted under the Lease within ten (10) days after the termination of the Lease.

Intent to Continue Lease-Purchase Payments; Appropriations

The City presently intends to continue the Lease for the entire Lease Term and to pay all Rental Payments required hereunder. The City Administrator will include in the budget request for each Fiscal Year the Rental Payments to become due in such Fiscal Year, and will use all reasonable and lawful means at his or her disposal to secure the appropriation of money for such Fiscal Year sufficient to pay the Rental Payments coming due therein. The City reasonably believes that money in an amount sufficient to make all such Rental Payments can and will lawfully be appropriated and made available for this purpose.

Effect of Termination Upon termination of the Lease in the event of nonappropriation, the City shall not be responsible for the payment of any additional Rental Payments coming due with respect to succeeding Fiscal Years, but if the City has not delivered possession of the Project to the Authority in accordance with the terms of the Lease and conveyed to the Authority or released its interest in the Project granted under the Lease within ten (10) days after the termination of the Lease, the termination shall nevertheless be effective, but the City shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments thereafter coming due which are attributable to the number of days after such ten (10) day period during which the City fails to take such actions. Upon termination of the Lease upon nonappropriation, which termination is not a default under the Lease, the Trustee, on behalf of the Authority, may lease or sell the Authority's interests in the Project or any portion thereof in a commercially reasonable manner at public or private sale in accordance with applicable State laws and apply the proceeds of such lease or sale in accordance with the Indenture.

Events of Default Defined The following are Events of Default under the Lease and the terms "events of default" and "default" mean, whenever they are used in the Lease, with respect to the Project, any one or more of the following events:

(i) Failure by the City to pay any Rental Payments or other payments required to be paid hereunder at the time specified herein, which failure shall continue for a period of five days after written notice given to the City by the Trustee on behalf of the Authority.

(ii) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in clause (i) above, for a period of sixty (60) days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Trustee on behalf of the Authority, unless the Trustee shall agree in writing to an extension of such time prior to its expiration.

(iii) The filing by the City of a voluntary petition in bankruptcy, or failure by the City promptly to lift any execution, garnishment or attachment of such consequence as would impair the ability of the City to carry on the operation of the Project, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of the Federal Bankruptcy Statute, as amended, or under any similar acts which may hereafter be enacted.

Remedies on Default Whenever any event of default shall have happened and be continuing with respect to the Project, the Trustee, on behalf of the Authority, shall have the right, at its option, to take one or any combination of the following remedial steps:

(i) Cancel and terminate the Lease by written notice in accordance with law, reenter and take possession of the Improvements and the Pledged Land and all improvements thereto, and charge the City for costs incurred in repossessing the same, and all prior Rental Payments made hereunder by the City shall belong to the Authority as liquidated damages; and

(ii) Take whatever action at law or in equity may appear necessary or desirable to collect the Rental Payments then due and thereafter to become due during the then current Fiscal Year of the City with respect to the Project, or enforce performance and observance of any obligation, agreement or covenant of the City under the Lease; and

(iii) Lease or sell the Authority's interests in the Improvements and the Pledged Land or any portion thereof in a commercially reasonable manner at public or private sale in accordance with applicable State laws and apply the proceeds of such lease or sale in accordance with the Indenture.

The Authority covenants to cooperate with the Trustee, upon request, in the exercise of any of the foregoing remedies.

Surrender of Project Upon the termination of the Lease, the City will surrender possession of the Improvements and the Pledged Land to the Authority in the condition, repair, appearance and working order required under the Lease.

Title During the Lease Term, and so long as the City is not in default under Article X, legal title to the Project and any and all repairs, replacements, substitutions and modifications to it shall be in the name of the Authority, subject to the interests of the City under the Lease. Upon termination of the Lease pursuant to Section 4.2(c), full and unencumbered legal title to the Project shall pass to the City, and the Authority shall have no further interest therein. In such event, the Authority shall execute and deliver to the City such documents as the City may request to evidence the passage of legal title to the Project to the City and the termination of the Authority's interest therein.

Security Interest. The Authority shall have and retain a security interest under the Uniform Commercial Code in the Improvements and the Pledged Land, the proceeds thereof and all repairs, replacements, substitutions and modifications thereto or thereof made pursuant to the Lease, and a security interest in the proceeds of all insurance policies and amounts held in the funds established pursuant to the Trust Indenture relating to the Bonds, in order to secure the City's payment of all Rental Payments due during the Lease Term and the performance of all other obligations herein to be performed by the City. The Authority is authorized to record such financing statements as may be necessary to perfect such security interest. The City will join with the Authority in executing such other documents and will perform such acts as the Authority may request to establish and maintain a valid security interest in the Improvements and the Pledged Land. If requested by the Authority, the City shall conspicuously mark the Improvements and the Pledged Land with appropriate lettering, labels or tags, and maintain such markings during the Lease Term, so as clearly to disclose the Authority's security interest in the Project.

Purchase of Project Except during the continuance of an Event of Default, the City shall have the option of purchasing the Project as follows:

(a) The City shall give written notice to the Authority and to the Trustee of its intention to purchase the Project, stating therein a closing date not less than forty (40) nor more than ninety (90) days after the date the notice is mailed, and the City shall make arrangements satisfactory to the Trustee for the giving of any required notice of redemption or notice of defeasance of the Bonds in connection with the purchase.

(b) The City shall pay to the Trustee, on or before the closing date, an amount equal to the Purchase Price for the Project.

(c) On the closing date, a closing shall be held at the principal office of the Trustee, or any other office mutually agreed upon. At the closing the City and the Authority shall, upon acknowledgment of receipt of the Purchase Price, the Authority shall convey or release to the City, all of its right, title and/or interest in and to the Project by delivering to the City such documents as the City deems necessary for this purpose.

At such time as all of the Bonds have been fully paid or provision for payment thereof has been made in accordance with the provisions of the Indenture, and all expenses of the Authority and

Trustee have been paid or provided for to the date of such full payment of the Bonds, the City shall be deemed to have purchased all right, title and interest of the Authority in the Project, the Lease shall be deemed terminated, and title to the Project shall automatically vest in the City. Nevertheless, the Authority, at the expense of the City, shall execute such documents as shall be reasonably necessary to convey its interest in the Project to the City.

INDENTURE

The following is a summary of certain provisions of the Indenture between the Authority and the Trustee. The summary is qualified in its entirety by reference to the full text of the Indenture.

Authorization of Additional Bonds. The Authority may, upon request of the City, issue Additional Bonds to 1) provide funds for additions to or further improvements of the Project, and (2) subject to the Indenture and applicable law, refund or advance refund any Bonds then Outstanding. Any such Additional Bonds shall be authorized by resolution of the Authority and described in a supplemental indenture executed by the Authority and the Trustee and which, when so issued, authorized and described, shall be secured by the Indenture and the Trust Estate on a parity with the Bonds then Outstanding under the Indenture; provided, that no such Additional Bonds shall be issued under the Indenture or secured by the Trust Estate on a parity with the Outstanding Bonds unless certain conditions described in the Indenture are met.

Replacement Project Fund. Pursuant to the Indenture, the Authority is required to establish an account with the Trustee entitled the "Series 2025 Replacement Project Fund" (the "Replacement Project Fund"). Should the Project be lost, stolen, destroyed or damaged beyond repair, and should the City exercise its option to replace the Project, there will be deposited with the Trustee to the credit of the Replacement Project Fund the Net Proceeds of any insurance or condemnation award, as further described in the Lease. As provided in Section 4.05 hereof, income and profit from the investment of money in the Replacement Project Fund shall be credited to the Replacement Project Fund.

The moneys in the Replacement Project Fund will be held by the Trustee and applied to the payment of the Replacement Costs in accordance with the Indenture, and pending such application will be subject to a lien and charge in favor of the Holders of the Bonds issued and Outstanding under the Indenture and held for the further security of such Holders until paid out as provided in the Indenture. In the event the moneys in the Bond Fund is insufficient on any Interest Payment Date to pay principal of, premium (if any) or interest on the Bonds due on such date, the Trustee will use any moneys then on deposit to the credit of the Replacement Project Fund, to pay such principal, premium and interest. In no event shall money in the Replacement Project Fund be paid for Replacement Costs if an Event of Default has occurred under the Lease.

Bond Fund. Pursuant to the Indenture, the Authority is required to establish and maintain a separate account to be designated the "Bond Fund," into which the Authority and Trustee will deposit: (i) the amount specified in the Indenture upon issuance of a series of Bonds; (ii) all Rental Payments received from the City pursuant to the Lease; (iii) all other moneys received by the Trustee from the City or Authority when accompanied by directions of the City or Authority that such moneys are to be paid into the Bond Fund or used for purposes for which moneys in the Bond Fund may be used; (iv) all other moneys required to be deposited in the Bond Fund pursuant to any provision of the Indenture or the Lease. The moneys and investments in the Bond Fund are irrevocably pledged to and will be used by the Trustee for the payment of principal of, premium (if any) on and interest on the Bonds, as and when such principal, premium and interest is due and payable.

Investment of Funds. The Trustee will invest the money on deposit in the Replacement Project Fund at the written request and direction of the City Representative in Qualified Investments. In the absence of written directions delivered to the Trustee from the City, the Trustee will leave the money uninvested. The Trustee may, from time to time, cause any such investments to be sold or otherwise be converted into cash, whereupon the proceeds derived from such sale or conversion shall be deposited into the Replacement Project Fund, as the case may be. Any interest or profit derived from investments shall be credited to the Replacement Project Fund, as the case may be. Investments permitted under the Indenture may be purchased from the Trustee or from any of its affiliates. Any money held as a part of the Bond Fund will be invested or reinvested by the Trustee upon the written request and direction of a City Representative in any Qualified Investment. Subject to the forgoing, the type, amount and maturity of Qualified Investments will conform to the instructions, if any, in the written request of the City Representative; provided that investments acquired with money held in the Bond Fund will mature no later than the Interest Payment Date upon which such money will be needed to pay principal of, premium, if any, and interest on the Bonds. In the absence of written directions delivered to the Trustee from the City, the Trustee will leave funds uninvested.

Covenants.

Payment of Bonds. The Authority covenants and agrees, so long as the Bonds shall be outstanding, that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Indenture and the Bond Resolution and in each and every Bond executed, authenticated and delivered hereunder; will pay or cause to be paid, from Rental Payments by the City and other amounts received in respect of the Lease or available under the Indenture, the principal of, premium (if any) on and interest on every Bond issued hereunder on the dates, at the places and in the manner prescribed in the Bonds in any coin or currency which, on the respective dates of payment of such principal and interest, is legal tender for the payment of public and private debts; and will cause such amounts received to be deposited with the Trustee prior to the due date of each installment of principal and interest and prior to the maturity of any Bond in amounts sufficient to pay such installment; provided, however, that the principal of and interest on any Bond is not and shall not be deemed to represent a debt or pledge the faith or credit of the Authority, the City, or the State of Minnesota or grant to the Holder of any Bond any right to have the Authority, the City, or the State of Minnesota levy any taxes or appropriate any funds to the payment of principal of or interest on the Bonds, such payment to be made solely and only out of the money received pursuant to the Lease and the funds and accounts established and maintained with the Trustee pursuant to the requirements of the Indenture and appropriated to the payment of the Bonds by the Indenture.

Extension of Payments of Bonds. The Authority covenants and agrees, so long as the Bonds shall be outstanding, that it shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds, or the time of payment of any claims for interest by the purchase or refunding of such Bonds or claims for interest or by any other arrangement; and in case the maturity of any of the Bonds, or the time for payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled in case of any default hereunder to the benefit of the Indenture or to any payment out of any assets of the Authority or the funds (except funds held in the trust by the Trustee for the payment of particular Bonds or claims for interest pursuant to the Indenture) held by the Trustee except subject to the prior payment of the principal of all Bonds issued and outstanding hereunder, the maturity of which Bonds or principal installments has not been extended, and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest.

Concerning the Lease. The Authority covenants and agrees, so long as the Bonds shall be outstanding, that it will cause and permit the Trustee to take such action as may be necessary or advisable to enforce the covenants, terms and conditions of the Lease if such action shall be deemed to be in the best interest of the Authority or the Bondholders. The Authority shall do or cause to be done all things on its part to be performed under the Lease so that the obligations of the City thereunder shall not be impaired or excused.

Events of Default. Each of the following events is hereby defined as, and is declared to be and to constitute, an "Event of Default":

(i) If payment of the principal of, or premium, if any, on any of the Bonds, when the same shall become due and payable, whether at maturity or by proceedings for redemption (by redemption, declaration or otherwise), shall not be made; or

(ii) If payment of any interest on the Bonds when the same shall become due and payable (in which case interest shall be payable to the extent permitted by law on any overdue installments of interest, in each case at the interest rate borne by the Bonds in respect of which such interest is overdue) shall not be made; or

(iii) If an Event of Default shall occur and be subsisting under the Lease; or

(iv) If default shall be made in the performance or observance of any other of the covenants, agreements or conditions on the part of the Authority in the Indenture, or in the Bonds contained, and such default shall have continued for a period of thirty days after written notice thereof given to the Authority by the Trustee.

Enforcement of Covenants and Conditions. Upon the occurrence of an Event of Default with respect to the Lease, the Trustee may, anything in the Indenture to the contrary notwithstanding and without any request from any Bondholder of the Bonds relating thereto (subject, however, to the provisions of the Indenture), take such action or actions for the enforcement of its rights and the rights of such Bondholders and the rights of the Authority under such Lease as due diligence, prudence and care would require and to pursue the same with like diligence, prudence and care.

Upon the occurrence of an Event of Default with respect to the Lease, the Trustee may, and shall upon the written request of the Holders of not less than twenty-five per centum (25%) in aggregate principal amount of Outstanding Bonds relating thereto, by written notice to the Authority, declare the principal of the respective Bonds to be immediately due and payable, whereupon that portion of the principal of such Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in the Indenture or in such Bonds to the contrary notwithstanding.

Upon the happening and continuance of an Event of Default, the Trustee may, and shall upon the written request of the Holders of not less than twenty-five per centum (25%) in aggregate principal amount of the outstanding Bonds relating thereto, proceed forthwith by suit or suits at law or in equity or by any other appropriate remedy to enforce payment of such Bonds, to enforce application to such payment of the funds, revenues and income appropriated thereto by the Indenture and by such Bonds, to enforce rights of the Authority under such Lease, and to enforce any such other appropriate legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of its rights or any of the rights of the Bondholders with respect thereto. Notwithstanding the foregoing, the Trustee need not proceed upon any such written request of such Bondholders, as aforesaid, unless such Bondholders shall have offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby.

Power of Majority of Bondholders Anything in the Indenture to the contrary notwithstanding, the Holders of a majority in aggregate principal amount of Bonds Outstanding hereunder with respect to a Lease shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken under the Indenture and such Lease; provided, that such direction shall not be otherwise than in accordance with the provisions of law and that the Trustee shall be indemnified as provided in the Indenture.

Notice to Bondholders. The Trustee shall give to the Holders of the Bonds relating to a Lease whose names and addresses are known to it, written notice of all Events of Default relating to such Lease known to the Trustee by virtue of actual knowledge of a Responsible Officer, within sixty (60) days after the occurrence of an Event of Default unless such Event of Default shall have been cured before the giving of such notice; provided that, except in the case of an Event of Default in the payment of principal and interest on any of such Bonds, the Trustee shall be protected in withholding such notice if and so long as its Board of Directors, an executive committee or trust default committee or chief executive officer of the Trustee in good faith determines that the withholding of such notice is in the interest of the Bondholders relating thereto.

Amendments to the Lease Not Requiring Consent of Bondholders. The Authority, the City and the Trustee may, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of the Lease as may be required (i) by the provisions of the Lease and the Indenture, (ii) in connection with the issuance of Additional Bonds as provided herein, (iii) in connection with the financing of any additions or expansions of the Project, so long as such amendments do not affect the obligation of the City to make Rental Payments as they become due and payable, (iv) for the purpose of curing any ambiguity or formal defect or omission, or (v) in connection with any other change therein which is not to the prejudice of the Trustee or the Holders of the Bonds.

Amendments to Lease Requiring Consent of Bondholders. Except for the amendments, changes or modifications as provided elsewhere in the Indenture, neither the Authority nor the Trustee shall consent to any other amendment, change or modification of any Lease without the written approval or consent of the Holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating thereto given and procured as in this Section provided; provided, however, that no such amendment, change or modification shall ever affect the obligation of the City to make Rental Payments as they become due and payable. If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding hereunder with respect to the Lease at the time of the execution of any such amendment, change or modification shall have consented to and approved the execution thereof as herein provided, no Holder of any such Bond shall have any right to object to any of the terms and provisions contained therein, or in the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee, the Authority or the City from executing the same or from taking any action pursuant to the provisions thereof.

Supplemental Indentures. The Authority, upon resolution, and the Trustee from time to time and at any time, subject to the conditions and restrictions in the Indenture contained, may enter into such indentures supplemental hereto as may or shall by them be deemed necessary or desirable without the consent of any Bondholder for any one or more of the following purposes:

(i) To correct the description of any property hereby pledged or intended so to be, or to assign, convey, pledge or transfer and set over unto the Trustee, subject to such liens or other encumbrances as shall be therein specifically described, additional property or properties of the Authority or the City for the equal and proportional benefit and security of the Holders and owners of all Bonds at any time issued and Outstanding under the Indenture, subject, however, to the provisions hereinabove set forth with respect to extended Bonds;

(ii) To add to the covenants and agreements of the Authority in the Indenture contained other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the Authority or to or upon any successor;

(iii) To evidence the succession or successive successions of any other department, agency, body or corporation to the Authority and the assumption by such successor of the covenants, agreements and obligations of the Authority in the Bonds hereby secured and in the Indenture and in any and every supplemental indenture contained or the succession, removal or appointment of any trustee or paying agent hereunder;

(iv) To cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indentures which may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under the Indenture or any supplemental indenture as the Authority may deem necessary or desirable and which shall not be inconsistent with the provisions of the Indenture or any supplemental indenture and which shall not impair the security of the same;

(v) To modify, eliminate and/or add to the provisions of the Indenture to such extent as shall be necessary to effect the qualification of the Indenture under the Trust Indenture Act of 1939, as then amended, or under any similar Federal statute hereafter enacted, and to add to the Indenture such other provisions as may be expressly permitted by said Trust Indenture Act of 1939, excluding, however, the provisions referred to in Section 316(a)(2) of said Trust Indenture Act of 1939; and

(vi) To provide for the issuance of Additional Bonds pursuant to the Indenture.

APPENDIX G

2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT

The City's Annual Comprehensive Financial Report ("ACFR") for fiscal year ended December 31, 2023, may be accessed on the MRSB's EMMA website, located here.