

**PETITION, WAIVER AND AGREEMENT FOR PERFORMANCE OF
PUBLIC IMPROVEMENTS OR PARKING FACILITIES AND
ASSESSMENT OF THE COSTS THEREFOR**

TO: City Council of the City of Bloomington

MG Bloomington, LLC, a Delaware limited liability company (“**MG**”), and Bloomington Central Station, LLC, a Delaware limited liability company (“**Developer**”), collectively are the owners of the real property within the plat of Bloomington Central Station (the “**Property**”).

1. MG and Developer (collectively, the “**Petitioners**”) petition the City of Bloomington (the “**City**”) as follows:

a. To perform the improvements described in the Feasibility Report for Bloomington Central Station dated April 21, 2008, prepared on behalf of the City by Kimley-Horn and Associates, Inc. (the “**Feasibility Report**”) as follows:

(i) The removal of certain existing surface and utility improvements, including demolition of General Dynamics West (3021 American Boulevard East), General Dynamics East (3101 American Boulevard East) and Module C (8100 34th Avenue South), all as described on pages 4, 5 and 6 of the Feasibility Report (the “**Part A Improvements**”);

(ii) The sanitary sewer improvements, water main improvements, storm sewer improvements, street improvements, lighting, and sidewalk improvements described on pages 17, 18 and 19 of the Feasibility Report (the “**Part B Improvements**”); and

(iii) The sanitary sewer improvements, water main improvements, storm sewer improvements, street improvements, lighting, and sidewalk improvements described on pages 31, 32 and 33 of the Feasibility Report (the “**Part C Improvements**”).

The Part A Improvements, Part B Improvements and Part C Improvements are collectively referred to in this Petition as the “**Improvements.**” The location of the Property and its component parcels therein is shown on the map attached to this Petition as *Exhibit A*.

b. To assess a portion of the Property for the cost of performing the Improvements in an amount not to exceed the actual costs incurred by the City in performing the Improvements, and to apportion the assessments for the Improvements, all as shown in the following table, unless the City in its sole discretion agrees to a different apportionment requested by Petitioners:

ON-SITE PUBLIC IMPROVEMENTS	PARCEL TO BE ASSESSED	PROPERTY IDENTIFICATION NUMBER	ESTIMATED COST OF PERFORMING THAT PORTION OF IMPROVEMENTS
Part A	Outlot B, Bloomington Central Station		\$3,469,150
Part B	Outlot A, Bloomington Central Station		\$2,124,424
Part C	Outlot A, Bloomington Central Station		\$1,971,381

- c. To levy the assessments for the Improvements such that the assessments shall be paid over twenty years at such rate of interest as the City shall determine.
2. Petitioners represent and warrant that they are the sole fee owners of the Property.
3. Petitioners agree, in consideration of the City designing and performing the Improvements:
- a. That the City will not perform the Improvements unless MG and/or Developer agree to pay and/or be assessed for the City’s costs of performing the Improvements;
 - b. To grant to the City, prior to the City ordering performance of the Improvements to proceed, such easements or other interests as the City shall determine necessary for the purpose of performing the Improvements;
 - c. To enter into an agreement with the City and the Port Authority in the form attached hereto as **Exhibit B** (the “**Agreement**”);
 - d. To pay the amounts assessed to the Property for the Improvements as provided in this Petition and Agreement, but not beyond the actual cost of designing and performing the Improvements;
 - e. To provide the City with financial security for installation of the Part A Improvements, Part B Improvements, and Part C Improvements as required by Sections 5.1 (5) and 5.2 of Article 5 of the Redevelopment Contract dated February 22, 2005, by and among the City, the Port Authority, and Developer (the “**Contract**”); and
 - f. To provide the City with a document from each holder of a mortgage on the portions of the Property to be specially assessed for the Improvements in which the mortgage holder gives consents and waivers similar to those given by Petitioners in this Petition for the costs to be assessed for the Improvements. Petitioners agree that the City shall have no obligation to prepare design plans, seek bids, or award a contract to perform the portion of the Improvements to be performed on a parcel until the City receives a consent and waiver from each holder of a mortgage on any parcel to be specially assessed

for the Improvements, which is in form and substance reasonably acceptable to the City. The City acknowledges that a form of consent and waiver materially in the form attached to this Petition as *Exhibit C* will be considered satisfactory to the City.

4. Petitioners specifically waive any objection to the City's design and performance of the Improvements, including any objection to: (i) the final design of the Improvements; (ii) the final location of the Improvements; (iii) the procedure pursuant to which the City orders the Improvements performed; and (iv) the City's failure to strictly follow the notice and other requirements of Minnesota Statutes, Chapter 429 with respect to ordering the Improvements performed. Petitioners reserve, however, the right to object to being assessed an amount in excess of the cost of performing the Improvements or any allocation that differs from Section 1b. without the written consent of Petitioners.

5. Petitioners expressly waive: (i) objection to any irregularity with regard to the assessment of the Property for the Improvements; (ii) any claim that the amount assessed is excessive so long as the amount assessed does not exceed the actual cost of designing and performing the Improvements; (iii) all rights of appeal, including any rights under Chapter 429, Minnesota Statutes, from the assessment by the City for the costs of performing the Improvements.

6. Petitioners expressly agree:

- a. To pay when due all assessments levied for the Improvements;
- b. That the Improvements will increase the fair market value of the Property by an amount equal to or in excess of the amount to be assessed hereunder;
- c. That such increase in fair market value is a special benefit to the Property;
- d. That the amount to be assessed hereunder is reasonable, fair and equitable;
- e. That there are no other properties that should be assessed for the Improvements;
and
- f. To pay the City for all costs it paid for the preparation of the Feasibility Report.

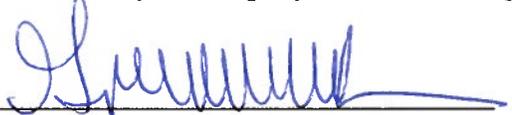
This Petition, Waiver and Agreement may be executed in one or more counterparts, each of which shall be deemed the original.

[SIGNATURE PAGE TO FOLLOW]

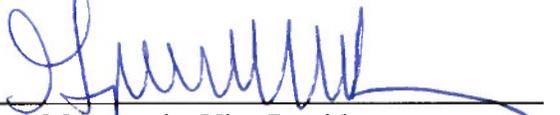
Dated this 21 day of April, 2008.

BLOOMINGTON CENTRAL STATION, LLC,
a Delaware limited liability company

By: MG BLOOMINGTON, LLC, a Delaware
limited liability company, its Manager

By: 
Greg Munson, its Vice President

MG BLOOMINGTON, LLC, a Delaware limited
liability company

By: 
Greg Munson, its Vice President

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EXHIBIT A
Map Showing Location of the Parcels Within the Property

EXHIBIT B
Agreement to be Entered into between the City, the Port Authority and Petitioners Upon
Granting of the Petition

