

AWARDING THE SALE OF GENERAL OBLIGATION TAX INCREMENT REFUNDING BONDS (U.S. BANK OPERATIONS CENTER PROJECT), TAXABLE SERIES 2011F AND SERIES 2011G; FIXING THE FORM AND TERMS OF THE SERIES 2011F AND SERIES 2011G BONDS AND DIRECTING THEIR EXECUTION AND DELIVERY; AND PROVIDING FOR THE PAYMENT OF AND LEVYING A TAX FOR THE SERIES 2011F AND SERIES 2011G BONDS

WHEREAS, the City Council of the City of Saint Paul, Minnesota (the "City") has heretofore determined that it is necessary and expedient to provide money to (i) refund and prepay the Tax Increment Revenue Bonds (U.S. Bank Operations Center Project), Series 2001 (the "Series 2001 Bonds") issued by the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the "Authority") in the original aggregate principal amount of \$12,000,000 and currently outstanding in the principal amount of \$9,835,000; (ii) reimburse the Authority for a portion of its contribution (the "Authority Contribution" and together with the Series 2001 Bonds, the "Prior Obligations") for tax increment eligible costs relating to the construction of an operations center (the "Project") leased to and occupied by U.S. Bank National Association (the "Bank"); and (iii) pay certain costs of issuance relating to the issuance of the Series 2011 Bonds; and

WHEREAS, the Authority will pledge tax increments (the "Tax Increments") derived solely from the area known as Subdistrict No. 261 (the "Project Area") of the Renaissance Redevelopment Tax Increment Financing District (the "District") to the City for the payment of the principal of and interest due on the Series 2011 Bonds; and

WHEREAS, the Project is the only development located in the Project Area and the tax increments derived from other portions of District will not be pledged to the payment of the Series 2011 Bonds; and

WHEREAS, the Authority established the District, being a tax increment financing district established as a renewal and renovation district under Minnesota Statutes, Section 469.174 to 469.179, as amended (the "Tax Increment Act"), pursuant to the Tax Increment Act and a resolution duly adopted by the Board of Commissioners of the Authority; and

WHEREAS, the Authority also established the Project Area within the District pursuant to the Tax Increment Act and a resolution duly adopted by the Board of Commissioners of the Authority; and

WHEREAS, pursuant to an Indenture of Trust, dated as of August 1, 2001 (the "Indenture"), between the Authority and U.S. Bank National Association, as trustee for the Series 2001 Bonds (the "Trustee"), and the terms of a Joint Pledge Agreement, dated as of August 1, 2001, between the Trustee, the Authority and the City, tax increment revenues from the Project Area were pledged to the payment of the Series 2001 Bonds and, on a subordinate basis, to the Authority Contribution; and

WHEREAS, for the purposes described above, the City wishes to provide funds by issuing its (i) Taxable General Obligation Tax Increment Refunding Bonds, Series 2011F (the "Series 2011F Bonds") and (ii) General Obligation Tax Increment Refunding Bonds, Series 2011G (the "Series 2011G Bonds" and together with the Series 2011F Bonds, the "Series 2011 Bonds"); and

WHEREAS, the Authority has approved the execution and delivery of a Tax Increment Pledge Agreement, to be dated as of August 1, 2011 (the "Pledge Agreement"), between the Authority and the City, pledging the Tax Increments to the payment of the Series 2011 Bonds; and

WHEREAS, if the Tax Increments received from the Authority are not sufficient to pay the principal and interest on the Series 2011 Bonds, the City has pledged its full faith and credit and power to levy direct general ad valorem taxes without limitation as to rate or amount for the payment of principal and interest on the Series 2011 Bonds; and

WHEREAS, Ehlers & Associates, Inc., as financial advisor to the City, solicited proposals for the purchase of the Series 2011 Bonds pursuant to a Preliminary Official Statement dated June 29, 2011 (the "Preliminary Official Statement") and the Terms of Proposals (the "Terms of Proposals") therein; and

WHEREAS, the proposals to purchase the Series 2011 Bonds were received by the City pursuant to the applicable Terms of Proposals at the offices of Ehlers & Associates, Inc., at or before 10:00 A.M. on the date hereof; and

WHEREAS, the Director, Office of Financial Services, has advised this City Council that the proposal of the Purchasers (as defined below) were found to be the most advantageous and the Director, Office of Financial Services has recommended that the proposals of the Purchasers be accepted by the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Saint Paul, Minnesota, as follows:

1. Sale of Series 2011 Bonds. The City is proposing to issue and sell, pursuant to the provisions of the City Charter, the Tax Increment Act, and Minnesota Statutes, Chapter 475, as amended (the "Municipal Debt Act"), the Series 2011F Bonds in the original aggregate principal amount of \$3,060,000 and Series 2011G Bonds in the original aggregate principal amount of \$8,870,000. The proceeds derived from the sale of the Series 2011 Bonds are to be applied to (i) the redemption and prepayment of the Series 2001 Bonds, (ii) reimburse the Authority for \$3,100,000 of the outstanding Authority Contribution, and (iii) the payment of costs of issuance of the Series 2011 Bonds.

2. Award of the Series 2011 Bonds.

(a) The Series 2011F Bonds. The proposal of BMO Capital Markets GKST Inc. (the "Series 2011F Purchaser") to purchase the Series 2011F Bonds described in the Terms of Proposal for the Series 2011F Bonds incorporated into the Preliminary Official Statement, is hereby found and determined to be the most favorable offer received and a reasonable offer and is hereby accepted, the proposal being to purchase the Series 2011F Bonds at a price of \$3,123,427.75 (the principal amount of the Series 2011F Bonds of \$3,060,000.00, plus a net original issue premium in the amount of \$68,446.15, less the Series 2011F Purchaser's discount of \$5,018.40), for Series 2011F Bonds bearing interest as set forth on EXHIBIT C attached hereto and made a part hereof. The amount of Series 2011 Bonds authorized to be issued is the purchase price referenced above, all of which will be used to (i) reimburse the Authority for a portion of its contribution for tax increment eligible costs relating to the construction of the Project; and (ii) pay certain costs of issuance relating to the issuance of the Series 2011F Bonds. Interest on the Series 2011F Bonds will be payable semiannually on February 1 and

August 1 in each year, commencing February 1, 2012, calculated on the basis of a 360-day year of twelve 30-day months. The interest on the Series 2011 Bonds is payable to the registered owners of record thereof as of the close of business on the fifteenth (15th) day of the immediately preceding month, whether or not such day is a business day. The proposals to purchase the Series 2011F Bonds are set forth on EXHIBIT E attached hereto and made a part hereof and were received by the City pursuant to the Terms of Proposal for the Series 2011F Bonds at the offices of Ehlers & Associates, Inc., at or before 10:00 A.M. on the date hereof.

(b) The Series 2011G Bonds. The proposal of Piper Jaffray & Co. (the "Series 2011G Purchaser" and together with the Series 2011F Purchaser, the "Purchasers") to purchase the Series 2011G Bonds described in the Terms of Proposal for the Series 2011G Bonds incorporated into the Preliminary Official Statement, is hereby found and determined to be the most favorable offer received and a reasonable offer and is hereby accepted, the proposal being to purchase the Series 2011G Bonds at a price of \$8,907,375.20 (the principal amount of the Series 2011G Bonds of \$8,870,000.00, plus a net original issue premium in the amount of \$86,869.80, less the Series 2011G Purchaser's discount of \$49,494.60), for Series 2011G Bonds bearing interest as set forth on EXHIBIT D attached hereto and made a part hereof. The amount of Series 2011 Bonds authorized to be issued is the purchase price referenced above, all of which will be used to (i) refund and prepay the Series 2001 Bonds; and (ii) pay certain costs of issuance relating to the issuance of the Series 2011G Bonds. Interest on the Series 2011G Bonds will be payable semiannually on February 1 and August 1 in each year, commencing February 1, 2012, calculated on the basis of a 360-day year of twelve 30-day months. The interest on the Series 2011 Bonds is payable to the registered owners of record thereof as of the close of business on the fifteenth (15th) day of the immediately preceding month, whether or not such day is a business day. The proposals to purchase the Series 2011G Bonds are set forth on EXHIBIT F attached hereto and made a part hereof and were received by the City pursuant to the Terms of Proposal for the Series 2011G Bonds at the offices of Ehlers & Associates, Inc., at or before 10:00 A.M. on the date hereof.

3. Execution of Purchase Agreements. The Director, Office of Financial Services or his proper designee, on behalf of the City, is directed to execute a purchase agreement with the Series 2011F Purchaser related to the Series 2011F Bonds and to execute a purchase agreement with the Series 2011G Purchaser related to the Series 2011G Bonds.

4. Original Issue Date; Denominations; Maturities. The Series 2011 Bonds shall be dated as of their date of original issue and shall be issued forthwith on or after such date as fully registered bonds. Each series of the Series 2011 Bonds shall be numbered from R-1 upward and shall be in the denomination of \$5,000 each or in any integral multiple thereof. The Series 2011F Bonds shall mature on August 1 in the years and amounts as set forth on EXHIBIT C attached hereto and made a part hereof. The Series 2011G Bonds shall mature on August 1 in the years and amounts as set forth on EXHIBIT D attached hereto and made a part hereof.

5. Registrar. The City Treasurer is hereby appointed as the initial bond registrar and paying agent (the "Registrar" and the "Paying Agent") for the Series 2011 Bonds. The City Treasurer shall serve as Registrar unless and until a successor Registrar is duly appointed. A successor Registrar shall be an officer of the City or a bank or trust company eligible for designation as Registrar pursuant to the Municipal Debt Act and may be appointed pursuant to any contract the City and such successor Registrar shall execute which is consistent herewith. The Registrar shall also serve as Paying Agent unless and until a successor Paying Agent is duly appointed. Principal and interest on the Series 2011 Bonds shall be paid to the registered holder or holders of the Series 2011 Bonds (each a "Holder" or the "Holders") in the manner set

forth in the form of the Series 2011 Bonds. The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar shall keep a bond register in which the Registrar provides for the registration of ownership of the Series 2011 Bonds and the registration of transfers and exchanges of the Series 2011 Bonds entitled to be registered, transferred, or exchanged.

(b) Transfer of Series 2011 Bonds. Upon surrender for transfer of a Series 2011 Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Series 2011 Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Series 2011 Bonds. When Series 2011 Bonds are surrendered by the registered owner for exchange, the Registrar shall authenticate and deliver one or more new Series 2011 Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. Series 2011 Bonds surrendered upon transfer or exchange shall be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When a Series 2011 Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Series 2011 Bond until the Registrar is satisfied that the endorsement on the Series 2011 Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name a Series 2011 Bond is registered in the bond register as the absolute owner of the Series 2011 Bond, whether the Series 2011 Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Series 2011 Bond and for all other purposes, and payments so made to a registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon the Series 2011 Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees, and Charges. The Registrar may impose a charge upon the owner thereof for a transfer or exchange of Series 2011 Bonds sufficient to reimburse the Registrar for any tax, fee, or other governmental charge required to be paid with respect to the transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bond. If a Series 2011 Bond becomes mutilated or is destroyed, stolen, or lost, the Registrar shall deliver a new Series 2011 Bond of like amount, number, maturity date, and tenor in exchange and substitution for and upon cancellation of the mutilated Series 2011 Bond or in lieu of and in substitution for any Series 2011 Bond destroyed, stolen, or lost, upon the payment of the reasonable expenses and

charges of the Registrar in connection therewith; and, in the case of a Series 2011 Bond destroyed, stolen, or lost, upon filing with the Registrar of evidence satisfactory to it that the Series 2011 Bond was destroyed, stolen, or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance, and amount satisfactory to it and as provided by law, in which both the City and the Registrar must be named as obligees. Series 2011 Bonds so surrendered to the Registrar shall be cancelled by the Registrar and evidence of such cancellation shall be given to the City. If the mutilated, destroyed, stolen, or lost Series 2011 Bond has already matured or been called for redemption in accordance with its terms, it is not necessary to issue a new Series 2011 Bond prior to payment.

6. Registration and Payment. The Series 2011 Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Series 2011 Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein. Each Series 2011 Bond shall be dated as of the last interest payment date preceding the date of authentication to which interest on the Series 2011 Bonds has been paid or made available for payment, unless: (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Series 2011 Bonds will be dated as of the date of authentication; or (ii) the date of authentication is prior to the first interest payment date, in which case the Series 2011 Bonds will be dated as of the date of original issue. The Series 2011 Bonds shall bear interest at the rates per annum as set forth in Exhibit C attached hereto with respect to the Series 2011F Bonds and Exhibit D attached hereto with respect to the Series 2011G Bonds.

7. Redemption.

(a) Optional Redemption. The Series 2011F Bonds are not subject to optional redemption. The City may elect on August 1, 2019, and on any day thereafter, to prepay Series 2011G Bonds due on or after August 1, 2020. Optional redemptions of the Series 2011G Bonds may be in whole or in part and if in part at the option of the City and in such manner as the City shall determine. If less than all Series 2011G Bonds of a maturity are called for redemption, the City will notify DTC (as defined herein) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All optional redemptions of the Series 2011G Bonds shall be at a price of par plus accrued interest to the redemption date.

(b) No Scheduled Mandatory Redemption. There are no Series 2011F Term Bonds which are subject to mandatory redemption and prepayment on scheduled dates.

(c) No Scheduled Mandatory Redemption. There are no Series 2011G Term Bonds which are subject to mandatory redemption and prepayment on scheduled dates.

(d) Selection of Series 2011G Bonds to be Redeemed: Redemption Procedure. In the event any of the Series 2011G Bonds are called for redemption, notice thereof identifying the Series 2011G Bonds to be redeemed shall be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Series 2011G Bonds to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, shall not affect the validity of the proceedings for the redemption of Series 2011G Bonds. Series 2011G Bonds so called

for redemption shall cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the Registrar at that time.

(e) Notice of Redemption. The Registrar shall call Series 2011G Bonds for optional redemption and prepayment as herein provided upon receipt by the Registrar at least forty-five (45) days prior to the redemption date of a request of the City, in written form if the Registrar is other than a City officer. Such request shall specify the series and principal amount of Series 2011G Bonds to be called for redemption and the redemption date. The forty-five (45) days notice requirement to the Registrar by the City shall be waived, if at the time of such notice of redemption, the City Treasurer is serving as the Registrar and Paying Agent for the Series 2011G Bonds.

Mailed notice of optional redemption shall be given to the Paying Agent (if other than a City officer) and to each affected Holder. If and when the City shall call any of the Series 2011G Bonds for redemption and prepayment prior to the stated maturity thereof, the Registrar shall give written notice in the name of the City of its intention to redeem and pay such Series 2011G Bonds at the office of the Registrar. Notice of redemption shall be given by first class mail, postage prepaid, mailed not less than thirty (30) days prior to the redemption date, to each Holder of Series 2011G Bonds to be redeemed, at the address appearing in the Bond Register. All notices of optional redemption shall state: (i) the redemption date; (ii) the redemption price; (iii) if less than all outstanding Series 2011G Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Series 2011G Bonds to be redeemed; (iv) that on the optional redemption date, the redemption price will become due and payable upon each such Series 2011G Bond, and that interest thereon shall cease to accrue from and after said date; (v) the place where such Series 2011G Bonds are to be surrendered for payment of the redemption price (which shall be the office of the Registrar); and (vi) include a statement that the redemption so noticed is conditioned on sufficient funds being held by the City on or before noon on the applicable redemption date to pay the full redemption price, and if at such time the amount so held is not sufficient to pay all amounts required to effect the noticed redemption in full, the redemption shall be cancelled, with all Series 2011G Bonds tendered for such redemption being returned to the holders thereof and no liability on the part of the City shall arise as a result of such cancellation.

Notices to DTC or its nominee shall contain the CUSIP numbers of the Series 2011G Bonds. If there are any Holders of the Series 2011G Bonds other than DTC or its nominee, the Registrar shall use its best efforts to deliver any such notice to DTC on the business day next preceding the date of mailing of such notice to all other Holders.

8. Forms of the Series 2011 Bonds. All of the provisions of the Series 2011 Bonds, when executed as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Series 2011F Bonds shall be substantially in the form attached to this Resolution as EXHIBIT A and the Series 2011G Bonds shall be substantially in the form attached to this Resolution as EXHIBIT B, which forms are hereby approved, with such necessary and appropriate variations, omissions, and insertions (including changes to the aggregate principal amount of each series of the Series 2011 Bonds, the stated maturities of the Series 2011 Bonds, the interest rates on the Series 2011 Bonds, the terms of redemption of the Series 2011 Bonds, and variation from City policies regarding methods of offering general obligation bonds) as the City Treasurer or Director, Office of Financial Services, or their respective deputies, in their discretion, shall determine and delivery of the Series 2011 Bonds by the City shall be conclusive evidence of such determinations.

The Director, Office of Financial Services is authorized and directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Saint Paul, Minnesota, which shall be complete except as to dating thereof and cause the opinion to accompany each Series 2011 Bond.

9. Execution. Each Series of the Series 2011 Bonds shall be executed on behalf of the City by the signature of its Mayor, City Clerk, and Director, Office of Financial Services, or their proper designees, each with the effect noted on the form of the Series 2011 Bonds, and provided that any of such signatures may be printed or photocopied facsimiles and the corporate seal may be omitted on the Series 2011 Bonds as permitted by law and the City Charter. In the event of disability or resignation or other absence of any such officer, the Series 2011 Bonds may be signed by the manual or facsimile signature of that officer who may act on behalf of such absent or disabled officer. In case any such officer whose signature or facsimile of whose signature shall appear on the Series 2011 Bonds shall cease to be such officer before the delivery of the Series 2011 Bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

10. Authentication; Date of Registration. No Series 2011 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on such Series 2011 Bond, substantially in the forms set forth in EXHIBIT A for the Series 2011F Bonds and EXHIBIT B for the Series 2011G Bonds, shall have been duly executed by an authorized representative of the Registrar. Certificates of Authentication on different Series 2011 Bonds need not be signed by the same person. The Registrar shall authenticate the signatures of officers of the City on each Series 2011 Bond by execution of the Certificate of Authentication on the Series 2011 Bond and by inserting as the date of registration in the space provided the date on which the Series 2011 Bond is authenticated. For purposes of delivering the original Series 2011 Bonds to DTC (as defined below), the Registrar shall insert as the date of registration the date of original issue.

11. Holder; Treatment of Registered Owner; Consent of Holders.

(a) Beneficial Owners. For the purposes of all actions, consents, and other matters affecting Holders of the Series 2011 Bonds, other than payments, redemptions, and purchases, the City may (but shall not be obligated to) treat as the Holder of a Series 2011 Bond the beneficial owner of the Series 2011 Bond instead of the person in whose name the Series 2011 Bond is registered. For that purpose, the City may ascertain the identity of the beneficial owner of the Series 2011 Bond by such means as the Registrar, in its sole discretion, deems appropriate, including but not limited to a certificate from the person in whose name the Series 2011 Bond is registered identifying such beneficial owner.

(b) Registered Owners. The City and Registrar may treat the person in whose name any Series 2011 Bond is registered as the owner of such Series 2011 Bond for the purpose of receiving payment of principal of and premium, if any, and interest on such Series 2011 Bond and for all other purposes whatsoever whether or not such Series 2011 Bond shall be overdue, and neither the City nor the Registrar shall be affected by notice to the contrary.

(c) Actions of Holders. Any consent, request, direction, approval, objection, or other instrument to be signed and executed by the Holders may be in any number of concurrent writings of similar tenor and must be signed or executed by such Holders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval,

objection, or other instrument, or of the writing appointing any such agent and of the ownership of Series 2011 Bonds, if made in the following manner, shall be sufficient for any of the purposes of this resolution, and shall be conclusive in favor of the City with regard to any action taken by it under such request or other instrument, namely: (i) the fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution; and (ii) subject to the provisions of subparagraph (a) above, the fact of the ownership by any person of Series 2011 Bonds and the amounts and numbers of such Series 2011 Bonds, and the date of the holding of the same, may be proved by reference to the bond register.

12. Book-Entry System.

(a) The Depository Trust Company. Each of the Series 2011 Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Series 2011 Bond for each of the maturities of the Series 2011 Bonds. Upon initial issuance, the ownership of each Series 2011 Bond will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns (“DTC”). Except as provided in this Section 12, all of the outstanding Series 2011 Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

(b) Participants. With respect to Series 2011 Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the City, the Registrar, and the Paying Agent will have no responsibility or obligation to any broker dealers, banks, and other financial institutions from time to time for which DTC holds Series 2011 Bonds as securities depository (“Participants”) or to any other person on behalf of which a Participant holds an interest in the Series 2011 Bonds, including but not limited to any responsibility or obligation with respect to: (i) the accuracy of the records of Cede & Co., DTC, or any Participant with respect to any ownership interest in the Series 2011 Bonds; (ii) the delivery to any Participant or any other person (other than a registered owner of Series 2011 Bonds, as shown by the registration books kept by the Registrar), of any notice with respect to the Series 2011 Bonds, including any notice of redemption; or (iii) the payment to any Participant or any other person, other than a registered owner of Series 2011 Bonds, of any amount with respect to principal of, premium, if any, or interest on the Series 2011 Bonds. The City, the Registrar, and the Paying Agent may treat and consider the person in whose name each Series 2011 Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Series 2011 Bond for the purpose of payment of principal, premium, and interest with respect to such Series 2011 Bond, for the purpose of registering transfers with respect to such Series 2011 Bonds, and for all other purposes. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2011 Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City’s obligations with respect to payment of principal of, premium, if any, or interest on the Series 2011 Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Series 2011 Bond, as shown in the registration books kept by the Registrar, will receive a certificated Series 2011 Bond evidencing the obligation of this Resolution. Upon delivery by DTC to the City Clerk of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words “Cede & Co.” shall refer to such new nominee of DTC; and upon receipt

of such a notice, the City Clerk shall promptly deliver a copy of the same to the Registrar and Paying Agent.

(c) Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the "Representation Letter") which shall govern payment of principal of, premium, if any, and interest on the Series 2011 Bonds and notices with respect to the Series 2011 Bonds. Any Paying Agent or Registrar subsequently appointed by the City with respect to the Series 2011 Bonds shall agree to take all actions necessary for all representations of the City in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

(d) Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Series 2011 Bonds that they be able to obtain Series 2011 Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Series 2011 Bond certificates. In such event the City will issue, transfer, and exchange Series 2011 Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the Series 2011 Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City shall issue and the Registrar shall authenticate Series 2011 Bond certificates in accordance with this Resolution and the provisions hereof shall apply to the transfer, exchange, and method of payment thereof.

(e) Payments to DTC. Notwithstanding any other provision of this Resolution to the contrary, so long as a Series 2011 Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Series 2011 Bonds and all notices with respect to the Series 2011 Bonds shall be made and given, respectively, in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

13. Delivery; Application of Proceeds. The Series 2011 Bonds when so prepared and executed shall be delivered by the Director, Office of Financial Services, to the Purchasers upon receipt of the purchase price, and the Purchasers shall not be obliged to see to the proper application thereof.

14. Funds and Accounts.

(a) Bond Fund. A Bond Fund is hereby created as a special fund of the City designated the "General Obligation Tax Increment Refunding Bonds Series 2011 Bond Fund" (the "Bond Fund"), to be held and administered by the City Treasurer, separate and apart from all other accounts of the City. For the convenience and proper administration of the money to be borrowed and repaid on the Series 2001 Bonds and Series 2011 Bonds, and to make adequate and specific security to the Purchasers and holders from time to time of the Series 2001 Bonds and the Series 2011 Bonds, there have been heretofore created in the Bond Fund the accounts provided below, to be administered and maintained as bookkeeping accounts in the Bond Fund separate and apart from all other accounts maintained therein. The Bond Fund shall be maintained in the manner herein specified until all of the Series 2011 Bonds and the interest thereon have been fully paid. There shall be maintained in the Fund four (4) separate accounts, to be designated (i) the "Authority Contribution Account", (ii) the "Refunding Account",

(iii) the “Taxable Series 2011F Debt Service Account,” and (iv) the “Series 2011G Debt Service Account”.

(i) Authority Contribution Account. Proceeds received from the sale of the Series 2011F Bonds shall be deposited into the Authority Contribution Account. On the date of closing on the Series 2011F Bonds, the City shall transfer to the Authority \$3,100,000 to reimburse the Authority for a portion of the prior Authority Contribution and shall utilize the remainder to pay the costs of issuance allocable to the Series 2011F Bonds. The money in the Authority Contribution Account shall be used solely for the purposes set forth herein and for no other purpose. Any excess in the Authority Contribution Account after the payment of the costs of issuance shall be deposited in the Taxable Series 2011F Debt Service Account.

(ii) Refunding Account. Proceeds received from the sale of the Series 2011G Bonds plus amounts held by the Authority under the Indenture for the Series 2001 Bonds shall be utilized for the redemption and prepayment of the outstanding Series 2001 Bonds on the date selected for redemption. The proceeds received from the sale of the Series 2011G Bonds shall be deposited into the Refunding Account. On the date of issuance of the Series 2011G Bonds, the City shall transfer to the Trustee the amount necessary (along with the funds held by the Trustee in the Reserve Fund for the Series 2001 Bonds) to pay the outstanding principal and interest on the Series 2001 Bonds on their date of redemption. After the transfer to the Trustee, the remainder in the Refunding Account shall be utilized by the City to pay the costs of issuance of the Series 2011G Bonds. The money in the Refunding Account shall be used solely for the purposes set forth herein and for no other purpose. Any excess in the Refunding Account after the payment of the costs of issuance shall be deposited in the Series 2011G Debt Service Account.

(iii) Taxable Series 2011F Debt Service Account. The Series 2011F Bonds shall be payable from the Taxable Series 2011F Debt Service Account (the “Taxable Series 2011F Debt Service Account”) hereby created. The proceeds of the ad valorem taxes hereinafter levied as described in the resolution authorizing the sale of the Series 2011F Bonds are hereby pledged to the Taxable Series 2011F Debt Service Account. If a payment of principal or interest on the Series 2011F Bonds becomes due when there is not sufficient money in the Taxable Series 2011F Debt Service Account to pay the same, the City Treasurer will pay such principal or interest from the general fund of the City, and the general fund will be reimbursed for those advances out of the proceeds of the taxes levied by this Resolution, when collected. There is appropriated to the Taxable Series 2011F Debt Service Account: (i) the accrued interest, if any, paid by the Series 2011F Purchaser upon closing and delivery of the Series 2011F Bonds; (ii) Tax Increments derived from the Project Area and received by the City pursuant to the Pledge Agreement, provided that Tax Increments in excess of amounts necessary to pay the principal of and interest on the Series 2001 Bonds, the Series 2011F Bonds, and the Series 2011G Bonds may be used otherwise as provided by law; (iii) any collections of all property taxes hereafter levied for the payment of the Series 2011F Bonds and interest thereon; (iv) any amounts transferred from the Authority Contribution Account; (v) all investment earnings on funds in the Taxable Series 2011F Debt Service Account; and (vi) any and all other money which is properly available and is appropriated by the governing body of the City or the Authority to the Taxable Series 2011F Debt Service Account.

The money in the Taxable Series 2011F Debt Service Account shall be used solely to pay the principal and interest and any premium for redemption of the Series 2011F Bonds and any other bonds of the City hereafter issued by the City and made payable from the Taxable Series 2011F Debt Service Account as provided by law.

(iv) Series 2011G Debt Service Account. The Series 2011G Bonds shall be payable from the Series 2011G Debt Service Account (the "Series 2011G Debt Service Account") hereby created. The proceeds of the ad valorem taxes hereinafter levied as described in the resolution authorizing the sale of the Series 2011G Bonds are hereby pledged to the Series 2011G Debt Service Account. If a payment of principal or interest on the Series 2011G Bonds becomes due when there is not sufficient money in the Series 2011G Debt Service Account to pay the same, the City Treasurer will pay such principal or interest from the general fund of the City, and the general fund will be reimbursed for those advances out of the proceeds of the taxes levied by this Resolution, when collected. There is appropriated to the Series 2011G Debt Service Account: (i) the accrued interest, if any, paid by the Series 2011G Purchaser upon closing and delivery of the Series 2011G Bonds; (ii) Tax Increments derived from the Project Area and received by the City pursuant to the Pledge Agreement, provided that Tax Increments in excess of amounts necessary to pay the principal of and interest on the Series 2001 Bonds, the Series 2011F Bonds, and the Series 2011G Bonds may be used otherwise as provided by law; (iii) any collections of all property taxes hereafter levied for the payment of the Series 2011G Bonds and interest thereon; (iv) any amounts transferred from the Authority Contribution Account; (v) all investment earnings on funds in the Series 2011G Debt Service Account; and (vi) any and all other money which is properly available and is appropriated by the governing body of the City or the Authority to the Series 2011G Debt Service Account.

The money in the Series 2011G Debt Service Account shall be used solely to pay the principal and interest and any premium for redemption of the Series 2011G Bonds and any other bonds of the City hereafter issued by the City and made payable from the Series 2011G Debt Service Account as provided by law, or to pay any rebate due to the United States. No portion of the proceeds of the Series 2001 Bonds or Series 2011G Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Series 2001 Bonds and Series 2011G Bonds were issued, and (2) in addition to the above in an amount not greater than \$100,000. To this effect, any proceeds of the Series 2011G Bonds and any sums from time to time held in the Refunding Account or Series 2011G Debt Service Account allocated to the Series 2011G Bonds (or any other City account which will be used to pay principal or interest to become due on the Series 2011G Bonds) in excess of amounts which under then-applicable federal arbitrage regulations may be invested without regard as to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. In addition, the proceeds of the Series 2011G Bonds and money in the Refunding Account or Series 2011G Debt Service Account shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Series 2011G Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the federal Internal Revenue Code of 1986, as amended (the "Code").

(b) Arbitrage Restrictions. The money in the Bond Fund shall be used solely as provided herein, or to pay any rebate due to the United States. No portion of the proceeds of the Series 2011G Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (i) for a reasonable temporary period until such proceeds are needed for the purpose for which the Series 2011G Bonds were issued, and (ii) in addition to the amounts referred to in clause (i) in an amount not greater than \$100,000. To this effect, any proceeds of the Series 2011G Bonds and any sums from time to time held in the Series 2011G Debt Service Account allocated to the Series 2011G Bonds (or any other City account which will be used to pay principal or interest to become due on the Series 2011G Bonds) in excess of amounts which, under then applicable federal arbitrage regulations, may be invested without regard as to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. In addition, the proceeds of the Series 2011G Bonds and money allocated to the Series 2011G Bonds in the Series 2011G Debt Service Account shall not be invested in obligations or deposits issued by, guaranteed by, or insured by the United States of America, or any agency or instrumentality thereof, if and to the extent that such investment would cause the Series 2011G Bonds to be deemed to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(c) Allocation of Investment Earnings. Unless otherwise directed in writing by the City Treasurer, investment earnings, net of rebatable arbitrage, shall be credited to the fund or account from which the investment was made.

(d) Other Accounts and Subaccounts. The Director, Office of Financial Services and the City Treasurer are hereby authorized to create such accounts or subaccounts within the Bond Fund (and accounts therein) to properly administer such funds and accounts and to assure compliance with the preceding paragraphs, and Sections 21 and 22 hereof. Specifically, the City Treasurer may create separate accounts and subaccounts to hold and apply the proceeds of the Series 2011 Bonds and revenues pledged to payment thereof.

15. Pledge of Tax Increments; Coverage Test. All of the Tax Increments (subject to the terms of the Pledge Agreement and this Resolution) are hereby pledged to the payment of the Series 2011 Bonds and the interest thereon, but only to the extent of an amount equal, with other pledged sources, to one hundred five percent (105%) of the principal and interest requirements of the Series 2011 Bonds. Tax Increments shall be used to pay debt service on the Series 2011 Bonds in accordance with the terms of Section 14 of this Resolution. Tax Increments received in each year in excess of the amount required to pay the debt service on the Series 2011 Bonds shall be released from the funds, free and clear of the pledge stated in this Section 15, as provided in Sections 14 and 16 of this Resolution.

The Tax Increments are such that if collected in full they, together with investment earnings, and other revenues herein pledged for the payment of the Series 2011 Bonds, will produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Series 2011 Bonds. The estimated amount of Tax Increments to be received over the term of the Series 2011 Bonds, and the use of Tax Increments as provided herein, are such that more than twenty percent (20%) of the total amount to be paid as principal and interest on the Series 2011 Bonds over their term shall be paid from Tax Increments, all within the meaning of Section 475.58 of the Municipal Debt Act.

Annually at the times taxes are required to be levied, the City shall estimate the sufficiency of the Taxable Series 2011F Debt Service Account and the Series 2011G Debt Service Account. In the event that it is anticipated that the aggregate amount in (or to be timely received in) the Taxable Series 2011F Debt Service Account or the Series 2011G Debt Service Account will not be sufficient to pay principal of and interest on the Series 2011 Bonds to become due in the next eighteen (18) months, the City shall levy an ad valorem tax in such amount as is estimated, with other sources, to be necessary to pay the principal of, and interest on, the Series 2011 Bonds to become due during such period.

16. Pledge Agreement. Prior to issuance of the Series 2011 Bonds, the City and Authority shall enter into the Pledge Agreement under the terms of which the Tax Increments pledged to payment of the Series 2011 Bonds are remitted to the City. Tax Increments may be pledged to other purposes by the Authority after the payment of the Series 2011 Bonds. The priority of such pledges must be subordinate to the pledge made in this Resolution, such priority to be determined at the time thereof. A superior or parity pledge of Tax Increments shall only be made with the consent of the City, but a subordinate pledge may be made without the consent of the City. Notwithstanding any provision herein to the contrary, the City reserves the right to terminate or reduce the Tax Increments pledged to the payment of the Series 2011 Bonds and interest thereon to the extent and in the manner permitted by law so long as such action does not preclude the City from paying when due the debt service on the Series 2011 Bonds or otherwise impair the validity of the Series 2011 Bonds or the City's full faith and credit pledge to the Series 2011 Bonds.

The form of the Pledge Agreement currently on file with the City is hereby approved, and shall be executed on behalf of the City by the Mayor, the City Clerk, and Director, Office of Financial Services, or their proper designees, in substantially the form approved, with such changes, modifications, additions, and deletions as shall be necessary and appropriate and approved by the City Attorney. So long as the Series 2011 Bonds remain outstanding, the City shall comply with the provisions of the Pledge Agreement as from time to time supplemented or amended.

17. Pledge of Tax Levy. For the purpose of paying the principal of and interest on the Series 2011 Bonds, there is levied a direct annual irrevocable ad valorem tax (the "Tax") upon all of the taxable property in the City, to be spread upon the tax rolls and collected with and as part of other general taxes of the City. The Tax will be credited to the Taxable Series 2011F Debt Service Account and Series 2011G Debt Service Account above provided and shall be established by officials of the City after the award of the Series 2011 Bonds and determination of the interest rates on each series of the Series 2011 Bonds. The Tax shall be levied and collected in the years and in the amounts as follows:

| <u>Levy Year</u> | <u>Collection Year</u> | <u>Amount</u> |
|------------------|------------------------|---------------|
|------------------|------------------------|---------------|

(See attached EXHIBIT G for the Series 2011F Bonds)

| <u>Levy Year</u> | <u>Collection Year</u> | <u>Amount</u> |
|------------------|------------------------|---------------|
|------------------|------------------------|---------------|

(See attached EXHIBIT H for the Series 2011G Bonds)

18. Overlevy Requirement. It is determined that the estimated collection of the foregoing Tax (along with the collection of Tax Increments) will produce at least five percent

(5%) in excess of the amount needed to meet, when due, the principal and interest payments on each series of the Series 2011 Bonds. The Tax so levied herein will be irrevocable until all of the Series 2011 Bonds are paid, provided that at the time the City makes its annual tax levies the City Clerk may certify to the County Auditor as defined below the amount available in the Taxable Series 2011F Debt Service Account to and the Series 2011G Debt Service Account pay principal and interest due during the ensuing year, and the County Auditor will thereupon reduce the levy collectible during such year by the amount so certified.

19. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Series 2011 Bonds, as the same respectively become due, the full faith and credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Taxable Series 2011F Debt Service Account or the Series 2011G Debt Service Account is ever insufficient to pay all principal and interest then due on the Series 2011 Bonds payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, including the general fund of the City, and such other funds may be reimbursed with or without interest from the Taxable Series 2011F Debt Service Account or the Series 2011G Debt Service Account, as applicable, when a sufficient balance is available therein.

20. Certificate of Registration. The Director, Office of Financial Services, or his proper designee, is hereby directed to file a certified copy of this resolution with the officer of Ramsey County, Minnesota performing the functions of the county auditor (the "County Auditor"), together with such other information as the County Auditor shall require, and to obtain the County Auditor's certificate that the Series 2011 Bonds have been entered in the County Auditor's Bond Register, and that the Pledge Agreement has been filed with the County Auditor.

21. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchasers, and to Kennedy & Graven, Chartered, bond counsel to the City, certified copies of all proceedings and records of the City relating to the Series 2011 Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates, and information as are required to show the facts relating to the legality and marketability of the Series 2011 Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates, and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

All documents, certificates, and instruments relating to the issuance of the Series 2011 Bonds, including the forms of the Series 2011 Bonds may be executed and delivered by the Mayor, or the City Clerk, or Director, Office of Financial Services, or City Debt Manager, or their proper designees or executive assistants, as determined by the City Attorney and Kennedy & Graven, Chartered, as bond counsel to the City.

22. Negative Covenants as to Use of Proceeds. The City hereby covenants not to use (or permit the Authority to use) the proceeds of the Series 2011G Bonds or to use (or permit the Authority to use) or to cause or permit (or permit the Authority to cause or permit) them or any of them to be used, or to enter into (or permit the Authority to enter into) any deferred payment arrangements for the cost of the tax-increment eligible costs/improvements originally financed with proceeds of the Series 2001 Bonds, in such a manner as to cause the Series 2011G Bonds to be "private activity bonds" within the meaning of Section 103 and Sections 141 through 150 of the Code. The City hereby covenants not to use (or to permit the Authority to

use) the proceeds of the Series 2011G Bonds in such a manner as to cause the Series 2011G Bonds to be “hedge bonds” within the meaning of Section 149(g) of the Code.

23. Tax Exempt Status of the Series 2011G Bonds; Rebate; Elections. The City shall comply with all requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Series 2011G Bonds including, without limitation, requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Series 2011G Bonds, and the rebate of excess investment earnings to the United States. If any elections are now or hereafter available with respect to arbitrage or rebate matters relating to the Series 2011G Bonds, the City Treasurer and Director, Office of Financial Services, or their proper designees, or any of them, are hereby authorized and directed to make such elections as they deem necessary, appropriate, or desirable in connection with the Series 2011G Bonds, and all such elections shall be, and shall be deemed and treated as, elections of the City.

24. No Designation of Qualified Tax Exempt Obligations. The Series 2011G Bonds, together with other obligations issued by the City in 2011, exceed in amount those which may be qualified as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code, and hence are not designated for such purpose.

25. Other Agreements: Official Statement. There have been submitted to this City Council the form of the Pledge Agreement between the City and the Authority and the form of the Preliminary Official Statement. The use and distribution of the Preliminary Official Statement and of a final Official Statement (the “Official Statement”), by the Purchasers in connection with the offer and sale of the Series 2011 Bonds is hereby approved. The Mayor, the Director, Office of Financial Services, and the City Debt Manager, or their proper designees, are authorized and directed to certify that they have examined the Preliminary Official Statement and the Official Statement, and that to the best of their knowledge and belief the Preliminary Official Statement was and the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement and that the Official Statement does not, at the date of closing, and did not, as of its date, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

26. Continuing Disclosure. In order to satisfy the continuing disclosure requirements of Rule 15c2-12(b)(5), 17 CFR §240.15c2-12, promulgated by the Securities Exchange Commission under the Securities Exchange Act of 1934, as amended, the appropriate officials of the City are hereby authorized and directed to execute and deliver a continuing disclosure undertaking substantially in the form of the Continuing Disclosure Certificate set forth in Appendix B of the Official Statement (the “Continuing Disclosure Certificate”). The Continuing Disclosure Certificate is hereby approved with such changes, modifications, additions, and deletions as shall be necessary and appropriate and approved by the City Attorney.

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

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

29. City Budget Amendment. City staff (Office of Financial Services) will return in September 2011 with a final technical budget amendment for the Series 2011 Bonds after the Series 2001 Bonds have been redeemed and prepaid.

(The remainder of this page is intentionally left blank.)

**EXHIBIT A
FORM OF SERIES 2011F BOND**

UNITED STATES OF AMERICA
STATE OF MINNESOTA
RAMSEY COUNTY

R-_____ \$_____

CITY OF SAINT PAUL, MINNESOTA
TAXABLE GENERAL OBLIGATION TAX INCREMENT REFUNDING BOND
(U.S. BANK OPERATIONS CENTER PROJECT)
SERIES 2011F

| INTEREST RATE | MATURITY DATE | DATE OF ORIGINAL ISSUE | CUSIP |
|---------------|----------------|------------------------|--------------|
| _____ | August 1, 20__ | August 15, 2011 | 792881 _____ |

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the City of Saint Paul, Ramsey County, Minnesota (the "Issuer" or "City"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, unless called for earlier redemption, and to pay interest thereon semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2012, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Series 2011F Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest, has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Series 2011F Bond are payable by check or draft in next day funds or its equivalent (or by wire transfer in immediately available funds if payment in such form is necessary to meet the timing requirements below) upon presentation and surrender hereof at the principal office of the Treasurer of the City (the "City Treasurer"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. The principal of and premium, if any, and interest on this Series 2011F Bond are payable in lawful money of the United States of America.

Date of Payment Not Business Day. If the date for payment of the principal of, premium, if any, or interest on this Series 2011F Bond shall be a Saturday, Sunday, legal holiday, or a day on which banking institutions in the City of New York, New York, or the city where the principal office of the Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

Issuance: Purpose: General Obligation. This Series 2011F Bond is one of an issue in the original aggregate principal amount of \$3,060,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination, and redemption privilege, which Series 2011F Bond has been issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including particularly the City Charter and Minnesota Statutes, Section 469.174 to 469.179, as amended, and Minnesota Statutes, Chapter 475, as amended, and pursuant to a resolution adopted by the City Council of the Issuer on July 13, 2011 (the "Resolution"), for the purpose of providing funds for the refunding of existing indebtedness. This Series 2011F Bond is payable out of the Bond Fund, to which have been pledged tax increments received from Riverfront Renaissance Redevelopment Tax Increment Financing District (the "District") established by the Housing and Redevelopment Authority of the City of Saint Paul (the "Authority") have been pledged by the Authority to the City pursuant to the terms of a Pledge Agreement, dated as of August 1, 2011, between the Authority and the City. This Series 2011F Bond constitutes a general obligation of the Issuer, and to provide money for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations: Resolution. The Series 2011F Bonds are issuable originally only as fully registered bonds in the denominations of \$5,000 and integral multiples thereof of a single maturity. Reference is hereby made to the Resolution for a description of the rights and duties of the Registrar. A copy of the Resolution is on file in the principal office of the Registrar.

Transfer. This Series 2011F Bond shall be registered in the name of the payee on the books of the Issuer by presenting this Series 2011F Bond for registration to the Registrar, who will endorse its name and note the date of registration opposite the name of the payee in the certificate of registration attached hereto. Thereafter this Series 2011F Bond may be transferred by delivery with an assignment duly executed by the Holder or its legal representatives, and the Issuer and Registrar may treat the Holder as the person exclusively entitled to exercise all the rights and powers of an owner until this Series 2011F Bond is presented with such assignment for registration of transfer, accompanied by assurance of the nature provided by law that the assignment is genuine and effective, and until such transfer is registered on said books and noted hereon by the Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with, or notice to, the Registrar. Transfer of this Series 2011F Bond may, at the direction and expense of the Issuer, be subject to certain other restrictions if required to qualify this Series 2011F Bond as being "in registered form" within the meaning of Section 149(a) of the Internal Revenue Code of 1986, as amended.

Fees upon Transfer or Loss. The Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Series 2011F Bond and any legal or unusual costs regarding transfers and lost Series 2011F Bonds.

Treatment of Registered Owner. The Issuer and Registrar may treat the person in whose name this Series 2011F Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided with respect to the Record Date) and for all other purposes, whether or not this Series 2011F Bond shall be overdue, and neither the Issuer nor the Registrar shall be affected by notice to the contrary.

Authentication. This Series 2011F Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Registrar.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota and the Charter of the Issuer to be done, to happen and to be performed, precedent to and in the issuance of this Series 2011F Bond, have been done, have happened and have been performed, in regular and due form, time, and manner as required by law, and this Series 2011F Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and on the date of its issuance and delivery to the original purchasers, does not exceed any constitutional or statutory or Charter limitation of indebtedness.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the City of Saint Paul, Ramsey County, Minnesota, by its City Council has caused this Series 2011F Bond to be executed on its behalf by the facsimile signature of its Mayor, attested by the facsimile signature of its Clerk, and countersigned by the facsimile signature of its Director, Office of Financial Services.

**CITY OF SAINT PAUL,
RAMSEY COUNTY, MINNESOTA**

Mayor, Assistant Mayor, or Designee

Attest:

City Clerk or Designee

Countersigned:

Director, Office of Financial Services or Designee

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2011F Bonds delivered pursuant to the Resolutions mentioned within.

CITY OF SAINT PAUL, MINNESOTA

By _____
City Treasurer

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Series 2011F Bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Series 2011F Bond on the books kept for registration of the within Series 2011F Bond, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Series 2011F Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Registrar will not effect transfer of this Series 2011F Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

(Include information for all joint owners if this Series 2011 Bond is held by joint account.)

Please insert social security or other identifying number of assignee

(The remainder of this page is intentionally left blank.)

**EXHIBIT B
FORM OF SERIES 2011G BOND**

UNITED STATES OF AMERICA
STATE OF MINNESOTA
RAMSEY COUNTY

R-_____ \$_____

CITY OF SAINT PAUL, MINNESOTA
GENERAL OBLIGATION TAX INCREMENT REFUNDING BOND
(U.S. BANK OPERATIONS CENTER PROJECT)
SERIES 2011G

| INTEREST RATE | MATURITY DATE | DATE OF ORIGINAL ISSUE | CUSIP |
|---------------|------------------|------------------------|--------------|
| _____ | August 1, 20____ | August 15, 2011 | 792881 _____ |

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the City of Saint Paul, Ramsey County, Minnesota (the "Issuer" or "City"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, unless called for earlier redemption, and to pay interest thereon semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2012, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Series 2011G Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest, has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Series 2011G Bond are payable by check or draft in next day funds or its equivalent (or by wire transfer in immediately available funds if payment in such form is necessary to meet the timing requirements below) upon presentation and surrender hereof at the principal office of the Treasurer of the City (the "City Treasurer"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. The principal of and premium, if any, and interest on this Series 2011G Bond are payable in lawful money of the United States of America.

Date of Payment Not Business Day. If the date for payment of the principal of, premium, if any, or interest on this Series 2011G Bond shall be a Saturday, Sunday, legal holiday, or a day on which banking institutions in the City of New York, New York, or the city where the principal office of the Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

Redemption. All Bonds of this issue (the “Series 2011G Bonds”) maturing on or after August 1, 2020 are subject to redemption and prepayment at the option of the Issuer on August 1, 2019, and on any day thereafter at a price of par plus accrued interest to the date of redemption. Redemption may be in whole or in part of the Series 2011G Bonds subject to prepayment. If redemption is in part, those Series 2011G Bonds remaining unpaid may be prepaid in such order of maturity and in such amount per maturity as the City shall determine; and if only part of the Series 2011G Bonds having a common maturity date are called for prepayment, this Series 2011G Bond may be prepaid in \$5,000 increments of principal. Series 2011G Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date.

Notice of Redemption. Mailed notice of redemption shall be given to the paying agent (if other than a City officer) and to each affected Holder of the Series 2011G Bonds. In the event any of the Series 2011G Bonds are called for redemption, written notice thereof will be given by first class mail mailed not less than thirty (30) days prior to the redemption date to each Holder of Series 2011G Bonds to be redeemed. In connection with any such notice, the “CUSIP” numbers assigned to the Series 2011G Bonds shall be used.

Issuance: Purpose: General Obligation. This Series 2011G Bond is one of an issue in the original aggregate principal amount of \$8,870,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination, and redemption privilege, which Series 2011G Bond has been issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including particularly the City Charter and Minnesota Statutes, Section 469.174 to 469.179, as amended, and Minnesota Statutes, Chapter 475, as amended, and pursuant to a resolution adopted by the City Council of the Issuer on July 13, 2011 (the “Resolution”), for the purpose of providing funds for the refunding of existing indebtedness. This Series 2011G Bond is payable out of the Bond Fund, to which have been pledged tax increments received from Riverfront Renaissance Redevelopment Tax Increment Financing District (the “District”) established by the Housing and Redevelopment Authority of the City of Saint Paul (the “Authority”) have been pledged by the Authority to the City pursuant to the terms of a Pledge Agreement, dated as of August 1, 2011, between the Authority and the City. This Series 2011G Bond constitutes a general obligation of the Issuer, and to provide money for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations: Resolution. The Series 2011G Bonds are issuable originally only as fully registered bonds in the denominations of \$5,000 and integral multiples thereof of a single maturity. Reference is hereby made to the Resolution for a description of the rights and duties of the Registrar. A copy of the Resolution is on file in the principal office of the Registrar.

Transfer. This Series 2011G Bond shall be registered in the name of the payee on the books of the Issuer by presenting this Series 2011G Bond for registration to the Registrar, who will endorse its name and note the date of registration opposite the name of the payee in the certificate of registration attached hereto. Thereafter this Series 2011G Bond may be transferred by delivery with an assignment duly executed by the Holder or its legal representatives, and the Issuer and Registrar may treat the Holder as the person exclusively entitled to exercise all the rights and powers of an owner until this Series 2011G Bond is presented with such assignment for registration of transfer, accompanied by assurance of the nature provided by law that the assignment is genuine and effective, and until such transfer is registered on said books and noted hereon by the Registrar, all subject to the terms and

conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with, or notice to, the Registrar. Transfer of this Series 2011G Bond may, at the direction and expense of the Issuer, be subject to certain other restrictions if required to qualify this Series 2011G Bond as being “in registered form” within the meaning of Section 149(a) of the Internal Revenue Code of 1986, as amended.

Fees upon Transfer or Loss. The Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Series 2011G Bond and any legal or unusual costs regarding transfers and lost Series 2011G Bonds.

Treatment of Registered Owner. The Issuer and Registrar may treat the person in whose name this Series 2011G Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided with respect to the Record Date) and for all other purposes, whether or not this Series 2011G Bond shall be overdue, and neither the Issuer nor the Registrar shall be affected by notice to the contrary.

Authentication. This Series 2011G Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Registrar.

Not Qualified Tax Exempt Obligations. The Series 2011G Bonds have not been designated by the Issuer as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the federal Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota and the Charter of the Issuer to be done, to happen and to be performed, precedent to and in the issuance of this Series 2011G Bond, have been done, have happened and have been performed, in regular and due form, time, and manner as required by law, and this Series 2011G Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and on the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory or Charter limitation of indebtedness.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the City of Saint Paul, Ramsey County, Minnesota, by its City Council has caused this Series 2011G Bond to be executed on its behalf by the facsimile signature of its Mayor, attested by the facsimile signature of its Clerk, and countersigned by the facsimile signature of its Director, Office of Financial Services.

**CITY OF SAINT PAUL,
RAMSEY COUNTY, MINNESOTA**

Mayor, Assistant Mayor, or Designee

Attest:

City Clerk or Designee

Countersigned:

Director, Office of Financial Services or Designee

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2011G Bonds delivered pursuant to the Resolutions mentioned within.

CITY OF SAINT PAUL, MINNESOTA

By _____
City Treasurer

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Series 2011G Bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Series 2011G Bond on the books kept for registration of the within Series 2011G Bond, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Series 2011G Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Registrar will not effect transfer of this Series 2011G Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

(Include information for all joint owners if this Series 2011 Bond is held by joint account.)

Please insert social security or other identifying number of assignee

(The remainder of this page is intentionally left blank.)

EXHIBIT C

**Saint Paul City, Minnesota
Taxable General Obligation Tax Increment Refunding Bonds
(U.S. Bank Operations Center Project)
Series 2011F**

TERMS AND CONDITIONS

True Interest Cost for the Series 2011F Bonds: 1.1493816%

The Series 2011F Bonds shall mature on the dates and in the principal amounts set forth below:

| <u>Maturity Date (August 1)</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Bond Yield</u> | <u>Price</u> |
|-------------------------------------|-----------------------------|--------------------------|-----------------------|--------------|
| 2012 | \$745,000 | 2.00% | 0.50% | 101.436% |
| 2013 | 755,000 | 2.00 | 0.78 | 102.369 |
| 2014 | 770,000 | 2.00 | 1.10 | 102.614 |
| 2015 | 790,000 | 2.00 | 1.35 | 102.498 |

EXHIBIT D

**Saint Paul City, Minnesota
General Obligation Tax Increment Refunding Bonds
(U.S. Bank Operations Center Project)
Series 2011G**

TERMS AND CONDITIONS

True Interest Cost for the Series 2011G Bonds: 3.3153153%

The Series 2011G Bonds shall mature on the dates and in the principal amounts set forth below:

| <u>Maturity Date (August 1)</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Bond Yield</u> | <u>Price</u> |
|-------------------------------------|-----------------------------|--------------------------|-----------------------|--------------|
| 2016 | \$570,000 | 2.000% | 1.30% | 103.352% |
| 2017 | 580,000 | 3.000 | 1.66 | 107.575 |
| 2018 | 600,000 | 3.000 | 2.02 | 106.333 |
| 2019 | 615,000 | 3.000 | 2.35 | 104.693 |
| 2020* | 635,000 | 3.000 | 2.70 | 102.135 |
| 2021* | 655,000 | 3.000 | 3.00 | 100.000 |
| 2022 | 675,000 | 3.000 | 3.20 | 98.162 |
| 2023 | 695,000 | 3.250 | 3.36 | 98.922 |
| 2024 | 715,000 | 3.375 | 3.50 | 98.705 |
| 2025 | 740,000 | 3.500 | 3.65 | 98.369 |
| 2026 | 770,000 | 3.625 | 3.75 | 98.577 |
| 2027 | 795,000 | 3.750 | 3.85 | 98.814 |
| 2028* | 825,000 | 4.000 | 3.91 | 100.609 |

**Priced to Optional Redemption date of August 1, 2019.*

EXHIBIT E

PROPOSALS FOR SERIES 2011F BONDS

Ehlers Bond Sale Summary

Saint Paul | City of | MN

\$3,150,000 Taxable General Obligation Tax Increment Refunding Bonds (U.S. Bank Operations Center Pro

Sale Date/Time: 7/13/2011 10:00

BMO Capital Markets GKST Inc. [Chicago, IL]

Purchase Price: **3,215,204.20** TIC: **1.1476%** NIC: **\$90,845.80**

| <u>Maturity Date</u> | <u>Maturity Amount</u> | <u>Coupon</u> |
|----------------------|------------------------|---------------|
| 08-01-2012 | 775,000.00 | 2.000% |
| 08-01-2013 | 780,000.00 | 2.000% |
| 08-01-2014 | 790,000.00 | 2.000% |
| 08-01-2015 | 805,000.00 | 2.000% |

United Bankers' Bank [Bloomington, MN]

TIC: **1.1550%**

Northland Securities, Inc. [Minneapolis, MN]

TIC: **1.1647%**

Piper Jaffray & Co. [Minneapolis, MN]

TIC: **1.1975%**

Baird [Milwaukee, WI]

TIC: **1.2053%**

Morgan Keegan [Memphis, TN]

TIC: **1.2062%**

Cronin & Company, Inc. [Minneapolis, MN]

TIC: **1.2083%**

BOSC, Inc. [Menomonee Falls, WI]

TIC: **1.2353%**

Sterne, Agee & Leach, Inc. [Birmingham, AL]

TIC: **1.3008%**

Stifel Nicolaus & Company, Inc. TE [Denver, CO]

TIC: **1.3299%**

UMB Bank, N.A. [Kansas City, MO]

TIC: **1.4323%**

Hutchinson, Shockey, Erley & Co. [Chicago, IL]

TIC: **1.7685%**

Chase [Minneapolis, MN]

TIC: **2.0001%**

EXHIBIT F

PROPOSALS FOR SERIES 2011G BONDS

Ehlers Bond Sale Summary

Saint Paul | City of | MN

\$8,980,000 General Obligation Tax Increment Refunding Bonds (U.S. Bank Operations Center Project), Se

Sale Date/Time: 7/13/2011 10:00

Piper Jaffray & Co. [Minneapolis, MN]

Purchase Price: 9,018,512.05 TIC: 3.3154% NIC: \$3,423,585.54

| <u>Maturity Date</u> | <u>Maturity Amount</u> | <u>Coupon</u> |
|----------------------|------------------------|---------------|
| 08-01-2016 | 585,000.00 | 2.000% |
| 08-01-2017 | 595,000.00 | 3.000% |
| 08-01-2018 | 605,000.00 | 3.000% |
| 08-01-2019 | 620,000.00 | 3.000% |
| 08-01-2020 | 640,000.00 | 3.000% |
| 08-01-2021 | 655,000.00 | 3.000% |
| 08-01-2022 | 675,000.00 | 3.000% |
| 08-01-2023 | 700,000.00 | 3.250% |
| 08-01-2024 | 725,000.00 | 3.375% |
| 08-01-2025 | 750,000.00 | 3.500% |
| 08-01-2026 | 780,000.00 | 3.625% |
| 08-01-2027 | 810,000.00 | 3.750% |
| 08-01-2028 | 840,000.00 | 4.000% |

Citigroup Global Markets, Inc. [Chicago, IL]

TIC: 3.3157%

Stifel Nicolaus & Company, Inc. TE [Denver, CO]

TIC: 3.3889%

BMO Capital Markets GKST Inc. [Chicago, IL]

TIC: 3.3906%

Baird [Milwaukee, WI]

TIC: 3.4135%

Hutchinson, Shockey, Erley & Co. [Chicago, IL]

TIC: 3.5939%

EXHIBIT G

**City of Saint Paul, Minnesota
Taxable General Obligation Tax Increment Refunding Bonds
(U.S. Bank Operations Center Project)
Series 2011F**

TAX LEVY AMOUNTS

| <u>Levy Year</u> | <u>Collection Year</u> | <u>Levy Amount</u> |
|------------------|------------------------|--------------------|
| 2010 | 2011 | \$844,011.00 |
| 2011 | 2012 | 841,365.00 |
| 2012 | 2013 | 841,260.00 |
| 2013 | 2014 | 846,090.00 |

EXHIBIT H

**City of Saint Paul, Minnesota
General Obligation Tax Increment Refunding Bonds
(U.S. Bank Operations Center Project)
Series 2011G**

TAX LEVY AMOUNTS

| <u>Levy Year</u> | <u>Collection Year</u> | <u>Levy Amount</u> |
|------------------|------------------------|--------------------|
| 2010 | 2011 | \$290,179.58 |
| 2011 | 2012 | 301,920.95 |
| 2012 | 2013 | 301,920.95 |
| 2013 | 2014 | 301,920.95 |
| 2014 | 2015 | 900,420.95 |
| 2015 | 2016 | 898,950.95 |
| 2016 | 2017 | 901,680.95 |
| 2017 | 2018 | 898,530.95 |
| 2018 | 2019 | 900,158.45 |
| 2019 | 2020 | 901,155.95 |
| 2020 | 2021 | 901,523.45 |
| 2021 | 2022 | 901,260.95 |
| 2022 | 2023 | 898,544.07 |
| 2023 | 2024 | 899,456.25 |
| 2024 | 2025 | 903,761.25 |
| 2025 | 2026 | 900,703.13 |
| 2026 | 2027 | 900,900.00 |

SA385-42 (BWJ)
388311v.6