

# HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA

REPORT TO THE COMMISSIONERS

DATE: September 10, 2014

**REGARDING: RESOLUTION AUTHORIZING APPROVAL OF A 2014 TECHNICAL BUDGET AMENDMENT RELATED TO THE REFUNDING OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA SALES TAX REVENUE REFUNDING BONDS (CIVIC CENTER PROJECT), SERIES 1996 (District 17, Ward 2)**

## **Requested Board Action**

The specific action being requested of the HRA Board is approval of a resolution authorizing a 2014 Technical Budget Amendment for the HRA.

## **Background**

On April 23, 2014, the HRA adopted RES 14-716 approving the refunding by the City of the HRA's Sales Tax Revenue Refunding Bonds, Series 1996 (the "Series 1996 Bonds"). The Series 1996 Bonds were issued to refinance bonds issued in 1993 to expand and remodel the Civic Center/RiverCentre complex.

The City has issued Taxable Revenue Refunding Notes (State of Minnesota Continuing Appropriation Grant), Series 2014 (the "Series 2014 Notes") and applied the proceeds derived from the sale of the Series 2014 Notes to defease the entire outstanding principal amount of the Series 1996 Bonds and the optional redemption and prepayment on November 1, 2015, of the entire outstanding principal amount of the Series 1996 Bonds, among other authorized uses.

At the time the HRA approved the refunding, the final debt service payments were not yet determined and the HRA Board was informed that we would seek approval at a later date to amend the budget. Also, in a companion item, we are amending the Tax Increment Financing Plan for the Minnesota Event TIF District.

## **Budget Action**

The HRA's 2014 debt service budget is amended as shown on Attachment A to the resolution.

**Future Action**

The HRA also needs to approve an amendment to the Tax Increment Financing (TIF) Plan for the Minnesota Event TIF District, which is included in a separate resolution.

**Financing Structure**

The Series 1996 Bonds are no longer a legal obligation of the HRA. Revenue from the City's Series 2014 Notes is held in an escrow to pay principal and interest until the redemption date of November 1, 2015, and then to fully redeem all outstanding principal.

**PED Credit Committee Review**

N/A

**Compliance**

N/A

**Green/Sustainable Development**

N/A

**Environmental Impact Disclosure**

N/A

**Historic Preservation**

N/A

**Public Purpose/Comprehensive Plan Conformance**

N/A

**Recommendation:**

The HRA Executive Director recommends approval of the resolution which amends the 2014 HRA budget.

**Sponsored by:** Chair Brendmoen

**Staff:** Jenny Wolfe, 266-6680

**Attachments**

- **Attachment A -- Resolution**