

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

REPORT TO THE COMMISSIONERS

DATE: September 9, 2015

**REGARDING: RESOLUTION AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS
RELATING TO THE MERGER OF DISTRICT COOLING ST. PAUL, INC. INTO
DISTRICT ENERGY ST. PAUL, INC. District 17, Ward 2**

Requested Board Action

Adoption of the attached Resolution authorizing the execution of certain documents relating to the merger of District Cooling St. Paul, Inc. (“District Cooling”) into District Energy St. Paul, Inc. (“District Energy”).

Background

On August 14, 2013, the HRA adopted RES #13-1174 and RES #13-1175 for District Cooling St. Paul, Inc. and for District Energy St. Paul, Inc. approving the issuance of bonds (the “Resolutions”); the bonds were issued on October 21, 2013.

Recently, District Cooling and District Energy adopted a Plan of Merger; whereby District Energy will assume all of the liabilities and obligations of District Cooling outstanding at the time of the Merger. The reason for the Merger by the organizations is to better fulfill their respective missions and enhance their ability to service the City of Saint Paul. The two organizations will become one united non-profit Saint Paul community-based corporation that will provide district cooling, district heating, and related energy services for the benefit of the City and its residents.

Upon completion of the Merger, District Energy desires to amend, restate, transfer, and assign the obligations of District Energy under various bond documents that require bond holder consent. The Resolutions require additional authorization when bond holder consent is mandated which is the purpose of this HRA action. District Energy is in the process of obtaining bond holder consent.

Budget Action

N/A

Future Action

N/A

Financing Structure

N/A

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 authorizing the execution of certain documents as requested by District Energy.

Sponsored by: Commissioner Thune

Staff: Jenny Wolfe (266-6680)