

**BOND RESOLUTION OF THE PORT AUTHORITY  
OF THE CITY OF SAINT PAUL**

WHEREAS, the Port Authority of the City of Saint Paul (the “**Port Authority**”) desires to issue and sell its Taxable General Obligation Bonds, Series 2016-2 in an aggregate principal amount which can be supported by an annual levy amount of \$455,000, not to exceed \$6,000,000 (the “**Bonds**”), and to use the proceeds thereof: (i) to purchase, remediate and improve blighted and marginal properties located within the City and to prepare the same for redevelopment or otherwise for use by the Port Authority for purposes authorized by the Minnesota Statutes, Sections 469.048 to 469.058 and Section 469.084 (the “**Project**”); and (ii) to pay costs of issuing the Bonds; and

WHEREAS, in accordance with Minnesota Statutes, Section 475.60, the Board of Commissioners of the Port Authority has determined to delegate the authority to negotiate and sell the Bonds to a Pricing Committee, to be comprised of the persons described below, and such Pricing Committee will (a) review the proposals opened and tabulated as described below; (b) further establish by certificate of the Pricing Committee certain terms of the Bonds as hereinafter described; and (c) award the sale of the Bonds to the entity providing the proposal which offers the lowest true interest cost; and

WHEREAS, the issuance and sale of the Bonds is subject to the prior approval by the City Council of the City of Saint Paul (the “**City**”) evidenced by the adoption, approval by the Mayor and publication of City Ordinance No. \_\_ (the “**Ordinance**”); and

WHEREAS, the Credit Committee of the Port Authority has recommended that the Port Authority authorize the issuance of the Bonds.

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners of the Port Authority of the City of Saint Paul as follows:

1. Sale of Bonds. It is hereby determined to be advisable at this time for the Port Authority to issue and sell the Bonds, pursuant to Minnesota Statutes, Sections 469.048 to 469.068, Section 469.084 and Chapter 475 (together, the “**Act**”) in order to provide funds for use by the Port Authority to pay the costs and expenses incurred in connection with the Project and costs of issuing the Bonds. The annual levy that is currently in place to pay general obligation bonds previously issued by the Port Authority will be increased by an amount not exceeding \$455,000 to provide funds to pay debt service on the Bonds when due. The Bonds are to be issued in the form and secured in the manner described herein and in the certificate to be hereafter delivered by the Pricing Committee referred to below. The Bonds will be secured solely by the taxes levied, and the general obligation pledge made, pursuant to Sections 18 and 19, below.

2. Notice of Sale; Terms of Proposal; Receipt of Proposals. The form of the Summary Notice of Bond Sale attached hereto as Exhibit A is approved, with such modifications or additions thereto as shall be deemed necessary or desirable by Ehlers & Associates, Inc. (“**Ehlers**”) or Stinson Leonard Street LLP, municipal advisor and bond counsel, respectively, to the Port Authority. Each

and all of the terms and conditions for the sale of the Bonds set forth in the Terms of Proposal attached hereto as Exhibit B are hereby adopted and confirmed as to the matters addressed therein. Ehlers, as municipal advisor to the Port Authority and the President or Chief Financial Officer of the Port Authority are hereby authorized to receive sealed proposals for the purchase of the Bonds, which pursuant to the Notice of Bond Sale, are to be received at the office of Ehlers until 10:00 o'clock a.m. Central time on April 28, 2016, provided that the date and time of the pricing of the Bonds described in this paragraph 2 and paragraph 3, below, may be changed at the discretion of the President and Chief Financial Officer of the Port Authority based on advice received from Ehlers.

3. Pricing Committee; Award of Sale; Certificate. The Pricing Committee will consist of the Chief Financial Officer of the Port Authority, two representatives from the City's Office of Financial Services, and a representative of Ehlers (together, the "**Pricing Committee**"). The Pricing Committee is hereby delegated the authority: (i) to review the tabulated proposals at a meeting of said Pricing Committee to be held at 12:00 o'clock noon on April 28, 2016; (ii) to accept on behalf of the Port Authority the proposal to purchase the Bonds which is determined by the Pricing Committee to be most favorable on a true interest cost basis; and (iii) to further establish, by certificate of the Pricing Committee, the principal amount, not to exceed \$6,000,000, maturities, interest rates, redemption features, and the original issue discount or premium, if any, to apply to the Bonds. In addition to the foregoing, the Pricing Committee is hereby authorized: (iv) to establish on behalf of the Port Authority the annual amount of the tax levy to be certified to the County Auditor as hereinafter provided; and (v) to make any amendments to this resolution as shall be required by the rating agencies as a condition to obtaining a rating on the Bonds. The Pricing Committee shall execute and deliver to the Port Authority, a completed certificate, substantially in the form of Exhibit C attached hereto, to: (a) reflect the terms of the Bonds in conformity with the proposal selected by the Pricing Committee (the "**Proposal**"); (b) include amendments to this resolution, if any, as required by the rating agencies as a condition to obtaining a rating on the Bonds; and (c) reflect the tax levies to occur in each year as provided in Section 18 hereof. The Bond terms, amendments, if any, and tax levy, as set forth in the completed certificate of the Pricing Committee shall, upon delivery, be deemed to be a part of this resolution as if set forth originally herein and such terms shall be incorporated and included in the form of the Bonds and in such other certificates, documents and agreements as appropriate. Execution and delivery of the Bonds by and on behalf of the Port Authority as provided herein shall be deemed conclusive ratification and approval of the determinations of the Pricing Committee. Upon delivery of the certificate of the Pricing Committee, the Secretary is hereby directed to retain the Good Faith Deposit of the successful purchaser as reflected in said certificate and to promptly return the Good Faith Deposits of the unsuccessful proposers. If the Pricing Committee shall reject all proposals, the terms of this resolution shall be null and void in all respects, and all Good Faith Deposits shall be promptly returned.

4. Bond Terms. Upon award of the Proposal as described above, the Port Authority shall forthwith issue and sell the Bonds. The Bonds shall be issued as fully registered Bonds, initially using a global book entry system (the "**Book Entry System**"), shall be numbered consecutively from R-1 upwards, shall bear CUSIP numbers and shall be in the principal denomination of \$5,000 or any integral multiple thereof. The Bonds shall be dated the date of issuance, or as otherwise determined by the Pricing Committee, and shall bear interest from such date, payable semiannually on February 1 and August 1 of each year, commencing February 1, 2017. Interest will be computed on the basis of a 360-day year of twelve 30-day months. Principal of the Bonds shall mature (or otherwise be subject to mandatory sinking fund redemption) on the

dates and in the amounts, and shall bear interest at the rate or rates to be established by the Certificate of the Pricing Committee referenced above.

5. Bond Forms. The Bonds shall be issued in substantially the form set forth in Exhibit D hereto with such appropriate insertions, omissions, substitutions and other variations as are required to incorporate the Bond terms as set forth in the Certificate of the Pricing Committee or are otherwise permitted hereby, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may, consistently herewith, be placed thereon by the officials of the Port Authority executing the Bonds, as evidenced by their execution thereof. If replacement bonds shall be made available in accordance with Section 10 of this resolution, the form of Bond shall be duly modified to reflect the terms of this resolution applicable to Bonds which are not Global Certificates (hereinafter defined).

6. Execution of Bonds; Approving Legal Opinion. The Bonds shall be executed on behalf of the Port Authority by its President, attested by its Secretary/Treasurer. Each such signature may be made manually or by facsimile. The corporate seal of the Port Authority may be affixed, imprinted or reproduced thereon, or may be omitted therefrom as permitted by law.

The validity of the Bonds shall not be impaired by the fact that one or more officers herein authorized to execute the Bonds shall cease to be in office before delivery thereof to the purchaser, or shall not be in office on the formal issue date of the Bonds. The Bonds, together with the approving opinion of Stinson Leonard Street LLP, bond counsel to the Port Authority, when executed and prepared, shall be delivered by the Treasurer to the purchaser thereof upon receipt of the purchase price.

7. Bond Registrar; Authentication; Registration. U.S. Bank National Association is appointed to act as paying agent, bond registrar and transfer agent with respect to the Bonds (the “**Bond Registrar**”), and shall so act for all Bonds unless and until a successor Bond Registrar is duly appointed. Such appointment and designation of a successor shall be made by certificate delivered by the Chief Financial Officer to the current and the successor Bond Registrar. A successor Bond Registrar shall be a bank or trust company eligible for designation as bond registrar pursuant to Minnesota Statutes, Section 475.55, and may be appointed pursuant to any contract the Port Authority and such successor Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed.

No 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 Bond, substantially in the form set forth on the form of Bond, shall have been duly executed by the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the Port Authority on each Bond by manual execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated. For purposes of delivering the original Bonds to the successful purchaser (the “**Purchaser**”), the Bond Registrar shall insert as the date of registration the date of original issue. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

The Port Authority will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the

Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

8. Book-Entry System. The entire principal amount of each maturity of Bonds will be initially fully registered as to principal and interest in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (the “**Depository**”), as registered owner of the Bonds. So long as the Depository or its nominee is the registered owner of the Bonds, each Bond shall be held and immobilized in the custody of the Depository or its agent. No beneficial owners of interests in Bonds will receive certificates representing their respective interests in the Bonds, except as provided in Section 10. Except as so provided, so long as any Bonds shall remain outstanding, beneficial ownership (and subsequent transfers of beneficial ownership) of interests in the Bonds will be reflected by book entries made on the records of the Depository and its participants.

So long as the Bonds are registered in the name of the Depository or its nominee (“**Global Certificates**”), the principal or redemption price of the Bonds shall be payable by the Port Authority when due by check or draft in next day funds or its equivalent, or by wire transfer in same day funds, if such form is necessary to meet the timing requirements of the Depository as set forth in the form of the Bond, and if the payment is of only part of the principal thereof, the Port Authority or the Bond Registrar shall mail by first-class mail to the Depository a written statement of the principal amount paid and the principal amount of the Bonds outstanding following such payment, and the Depository as owner shall upon such payment make a notation on the register of partial payments attached to the Bond of the principal amount paid, provided that the Owner may at its option surrender the Bond for exchange for a Bond registered with the new principal amount (with, if the Port Authority or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Port Authority or the Bond Registrar duly executed by the Owner thereof or his, her or its attorney duly authorized by the Owner thereof or his, her or its attorney duly authorized in writing) and the Port Authority shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Owner of such Bond, without service charge, a new Bond having the same stated maturity and interest rate and of the authorized denomination in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered, and provided that the Bonds shall be surrendered for payment upon redemption in full or at maturity. Such notation, if made by the Owner, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of the Bond outstanding, unless the Bond Registrar has signed the appropriate column of the register of partial payments. Interest is payable by the Port Authority on each Interest Payment Date by check or draft in next day funds or its equivalent or, by wire transfer in same day funds if such payment form is necessary to meet the timing requirements of the Depository as set forth in the form of the Bonds, to the Depository at such person’s address as it appears on the bond registration books of the Bond Registrar at the close of business on the 15th calendar day of the month preceding such interest payment date (the “**Regular Record Date**”). Any such interest not so timely paid shall cease to be payable to the person who is the Owner thereof as of the Regular Record Date, and shall be payable to the person who is the registered owner thereof (the “**Holder**”) at the close of business on a date fixed by the Bond Registrar whenever monies become available for payment of the defaulted interest (the “**Special Record Date**”). Notice of the Special Record Date shall be given by the Bond Registrar to the Owners not less than ten days prior to the Special Record Date.

Payment of the principal of and interest on a Global Certificate may, in the discretion of the Bond Registrar, be made by such other method of transferring funds as may be reasonably requested by the Depository.

The Port Authority and the Bond Registrar shall have no responsibility or obligation to any Depository participant or to any person on behalf of whom such a Depository participant holds an interest in Bonds. The Port Authority and the Bond Registrar may treat and consider the Depository, as the registered owner of any Bond, as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, and for all other purposes whatsoever, except as may be otherwise specifically permitted in Section 9 hereof. The Port Authority shall pay all principal of and interest on the Bonds only to or upon the order of the Depository, as the registered owner of the Bonds, and all such payments shall be valid and effective with respect to such payments to the extent of the sum or sums so paid. The Port Authority shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Depository or any Depository participant with respect to any ownership interest in Bonds, (b) the delivery to any Depository participant or any other person, other than the Depository, as the registered owner of a Bond, of any notice with respect to the Bonds, including any notice of redemption, or (c) the payment to any Depository participant or any other person, other than the Depository, as the registered owner of a Bond, of any amount with respect to any Bond. The rights of Depository participants and persons on behalf of whom any Depository participant holds a beneficial interest in Bonds shall be limited to those established by law and agreements between such Depository participants and other persons and the applicable Depository.

The President and the Chief Financial Officer of the Port Authority are hereby authorized and directed to execute and deliver separate agreements with the Depository (or any successor Depository appointed under Section 10 hereof) which may provide for alternative or additional provisions with respect to the delivery of notices, payment of principal and/or interest or any other matter relative to the Bonds, and notwithstanding any other provision of this resolution, to the contrary, the terms of said agreement shall be controlling with respect to the matters addressed therein.

9. Holders; Treatment of Registered Owners; Consents; Actions by Holders. For the purposes of any actions, consents and other matters affecting Holders of Bonds issued under this resolution, as from time to time supplemented, other than payments, redemptions, and purchases, the Port Authority may (but shall not be obligated to) treat as the Holder of a Bond the beneficial owner of the Bond instead of the Depository or its nominee in whose name the Bond is registered. For that purpose, the Port Authority may ascertain the identity of the beneficial owner of the Bond by such means as the Bond Registrar in its sole discretion deems appropriate, including but not limited to a certificate from the Depository or other person in whose name the Bond is registered identifying such beneficial owner.

Any consent, request, direction, approval, objection or other instrument required by this resolution, as supplemented, 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 Bonds, if made in the following manner, shall be sufficient for any of the purposes of this resolution

as supplemented, and shall be conclusive in favor of the Port Authority and the Bond Registrar with regard to any action taken by it under such request or other instrument, namely:

(a) 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.

(b) Subject to the provisions of subsection (a), above, the fact of the ownership by any person of Bonds and the amounts and numbers of such Bonds, and the date of the holding of the same, may be proved by reference to the bond registration books maintained by the Bond Registrar.

The Holders of fifty-one (51%) or more in aggregate principal amount of all Bonds may, either at law or in equity, by suit, action, or other proceedings, protect and enforce the rights of all Holders of Bonds then outstanding, or enforce and compel the performance of any and all of the covenants and duties specified in this resolution to be performed by the Port Authority or its officers and agents; provided, however, that nothing herein shall impair the right of any Holder to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof, or the obligation of the Port Authority to pay the principal of and interest on each of the Bonds issued hereunder at the time and place, from the source and in the manner provided herein and in the form of Bonds.

10. Replacement Bonds; Successor Depository. If the initial Depository is no longer willing or able to act as securities depository for the Bonds, the Port Authority may appoint a successor Depository to act in such capacity. Such successor must be both a “clearing corporation” as defined in the Minnesota Uniform Commercial Code, Minnesota Statutes, Section 336.8-102, and a qualified and registered “clearing agency” as provided in Section 17A of the Securities Exchange Act of 1934, as amended. If the Port Authority is unable to appoint a substitute Depository within two months following the resignation or other termination of any Depository or if the Port Authority determines in its sole discretion that (a) continuation of the Book Entry System might adversely affect the interests of the beneficial owners of the Bonds or (b) it is in the best interests of such beneficial owners that they be able to obtain certificated Bonds; then the Port Authority shall cause the preparation, authentication, delivery and transfer of certificated Bonds (“**Replacement Bonds**”) upon notification to beneficial owners of the availability thereof.

In the event of a replacement of the Depository as may be authorized by this paragraph, the Bond Registrar upon presentation of Global Certificates shall register their transfer to the substitute or successor Depository, and the substitute or successor Depository shall be treated as the “**Depository**” for all purposes and functions under this resolution.

11. Payment of Principal and Interest - Replacement Bonds. Interest on any Replacement Bond shall be paid on each interest payment date by check or draft mailed to the person in whose name the Bond is registered on the registration books of the Port Authority maintained by the Bond Registrar at the address appearing thereon on the Regular Record Date. Any defaulted interest shall be paid as provided in Section 8 hereof with respect to Global Certificates. Interest may be payable to Holders owning more than \$1,000,000 principal amount of Bonds, at such Holder’s option, by wire transfer to an account specified in writing by such Holder to

the Bond Registrar, which account must be maintained in a United States Office or branch of a commercial bank, thrift institution or other financial institution. Payment of principal shall be made upon surrender of such Bond at the office of the Bond Registrar.

12. Registration; Transfer; Exchange.

(a) Global Certificates - Global Certificates shall be registered in the name of the Depository or its nominee on the books of the Bond Registrar by presenting the Global Certificate for registration to the Bond Registrar, who will endorse his, her or its name and note the date of registration opposite the name of the payee in the certificate of registration on the Global Certificate; provided however, that a Global Certificate may not be registered in blank or in the name of “bearer” or similar designation. Thereafter a Global Certificate may be transferred by delivery with an assignment duly executed by the Holder or his, her or its legal representative, and the Port Authority and Bond Registrar may treat the Holder as the person exclusively entitled to exercise all the rights and powers of an owner until a Global Certificate 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 thereon by the Bond Registrar, all subject to the terms and conditions provided in this resolution and to reasonable regulations of the Port Authority contained in any agreement with, or notice to, the Bond Registrar.

Global Certificates may not be exchanged for Global Certificates of smaller denominations except as provided in Sections 8 and 13 upon a partial redemption.

Transfer of a Global Certificate may, at the direction and expense of the Port Authority, be subject to other restrictions if required to qualify the Global Certificates as being “in registered form” within the meaning of Section 149(a) of the Internal Revenue Code of 1986, as amended.

(b) Replacement Bonds. Upon surrender for transfer of any Replacement Bond at the principal office of the Bond Registrar, the Port Authority shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver, in the name of the designated transferee or transferees, one or more new Replacement Bonds of any authorized denomination or denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of “bearer” or similar designation. Whenever ownership of any Replacement Bonds should be transferred without surrender of the Replacement Bond for transfer or should be registered in nominee name only, the registered owner of the Replacement Bond shall, if and to the extent required to preserve the exclusion from gross income of the interest on the Bonds and at the direction and expense of the Port Authority, maintain for the Port Authority a record of the actual owner of the Replacement Bond.

At the option of the Holder of a Replacement Bond, such Bonds may be exchanged for Replacement Bonds of any authorized denomination or denominations of a like aggregate principal amount and stated maturity, upon surrender of the Replacement Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Replacement Bonds are so surrendered for exchange, the Port Authority shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Replacement Bonds which the Holder making the exchange is entitled to receive.

(c) Provisions Applicable to Global Certificates and Replacement Bonds. All Bonds surrendered upon any exchange or transfer shall be promptly cancelled by the Bond Registrar and thereafter disposed of as directed by the Port Authority.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the holder thereof or his, her or its attorney duly authorized in writing.

The Bond 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 any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the Port Authority contained in any agreement with, or notice to, the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates.

Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

### 13. Redemption Provisions; Notice of Redemption; Procedures.

(a) Optional Redemption. The Port Authority may elect on February 1, 2025, and on any day thereafter, to prepay Bonds, due after February 1, 2025, in whole or in part, at a redemption price equal to the principal to be redeemed, plus accrued interest to the date of redemption. If in part, the maturities to be redeemed shall be selected in such manner as the Port Authority in its discretion shall determine. The Port Authority shall, not less than 35 days prior to the proposed redemption date, provide the Bond Registrar and City with notice of redemption, together with the principal amount and maturities to be redeemed.

(b) Mandatory Sinking Fund Redemption. Bonds designated as “Term Bonds”, if any, in the certificate of the Pricing Committee delivered in accordance with Section 3 of this resolution shall be redeemed in accordance with the schedule set forth in the Certificate of the Pricing Committee for each year, in integral multiples of \$5,000, with particular Bonds to be redeemed to be selected by lot. Such mandatory sinking fund redemption shall be at a redemption price equal to the principal amount to be redeemed, plus accrued interest to the date of mandatory sinking fund redemption.

(c) Notice of Redemption. Published notice of redemption shall in each case be given if required by law, and notice of redemption shall be given by the Bond Registrar to each affected registered owner of the Bonds. Notice of redemption shall be given by first class mail, postage prepaid (or by such other means as may be required by the Depository) mailed (or otherwise delivered) not less than 30 days prior to the redemption date, to each registered owner of Bonds to be redeemed, at the address appearing in the bond registration books maintained by the Bond Registrar. The notice of redemption shall specify: (i) the redemption date; (ii) the redemption price;



(iii) if less than all outstanding Bonds are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds to be redeemed, including CUSIP numbers, if any, and, in the case of a Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed; (iv) that on the redemption date, the redemption price will become due and payable upon each such Bond, and that interest thereon shall cease to accrue from and after said date; and (v) if applicable, the place where such Bonds are to be surrendered for payment of the redemption price (which shall be the office of the Bond Registrar).

If on the redemption date, money for redemption of all Bonds called for redemption, together with interest thereon accrued and unpaid to such redemption date shall have been on deposit with (or for the account of) the Bond Registrar so as to be available therefor on such redemption date and if notice of redemption shall have been given as described above, then from and after such redemption date interest on the Bonds called for redemption shall cease to accrue and be payable on such Bonds.

(d) Redemption Procedures - Global Certificates. If prepayment of the Bonds shall be in part, such prepayment shall be in increments of \$5,000. If any maturity of the Bonds shall be prepaid in part, the Bond Registrar shall notify the Depository, in such manner as is required by the Depository, of the particular amount of such maturity to be redeemed. It shall be the responsibility of the Depository to determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant shall be responsible for selecting which and the amounts of each beneficial interest in the Bonds to be redeemed.

Upon a reduction in the aggregate principal amount of a Global Certificate, the Depository may make a notation of such redemption on the panel provided on the Global Certificate stating the amount so redeemed, or may return the Global Certificate to the Bond Registrar in exchange for a new Global Certificate authenticated by the Bond Registrar, in proper principal amount. Such notation, if made by the Holder, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of such Global Certificate outstanding, unless the Bond Registrar has signed the appropriate column of the panel.

For the purposes of giving notice of redemption as above-provided the "registered owner" of Global Certificates shall be the Depository or its nominee if the Global Certificates are then registered in the name of the Depository or its nominee. Notices to the registered owner shall contain the CUSIP numbers of the Bonds. If there any Holders of the Bonds other than the Depository or its nominee, the Bond Registrar shall use its best efforts to deliver any such notice to the Depository on the business day next preceding the date of mailing of such notice to all other Holders.

(e) Redemption Procedures - Replacement Bonds. To effect a partial redemption of Replacement Bonds having a common maturity date, the Bond Registrar prior to giving notice of redemption shall assign to each Replacement Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Replacement Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers as, at \$5,000 for each number, shall equal the principal amount of such Replacement Bonds to be redeemed. The Replacement Bonds to be redeemed shall be the Replacement Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Replacement Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 of principal amount for each number assigned to it and so selected.

If a Replacement Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Port Authority or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Port Authority and Bond Registrar duly executed by the Holder thereof or his, her or its attorney duly authorized in writing) and the Port Authority shall authenticate and deliver to the Holder of such Replacement Bond, without service charge, a new Replacement Bond or Bonds of the same series having the same stated maturity and interest rate and of any authorized denomination or denominations, as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

14. Project Fund

(a) There is hereby created on the books and accounts of the Port Authority a separate project fund to be known as the “2016 Taxable General Obligation Bond Project Fund”, which shall be used solely to pay costs of issuing the Bonds and financing the Project.

(b) There shall be credited to the Project Fund (i) the proceeds of the Bonds; and (ii) investment earnings on funds in the Project Fund.

15. Debt Service Funds. There is hereby created on the books and records of the Port Authority a separate debt service fund to be known as the Taxable General Obligation Bond, Series 2016 Debt Service Fund (the “**Debt Service Fund**”), into which the proceeds of the ad valorem taxes levied from and after 2015, for payment in 2016 and thereafter are pledged. Investment earnings on amounts in the Debt Service Fund shall be retained therein. Amounts available in the Debt Service Fund shall be used exclusively to pay the principal of and interest on the Bonds when due.

16. Investment. Amounts in the Project Fund and Debt Service Fund shall be deposited and secured as provided in Minnesota Statutes, Chapter 118. All time deposits or investments shall be withdrawable or mature at such times and in such amounts so as to provide cash at the times and in the amounts necessary to provide funds to pay Project Costs or principal of and interest on the Bonds when due.

17. Tax Levy. For the purpose of paying principal of and interest on the Bonds when due and as required by Minnesota Statutes, Section 469.060, there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected in each of the years beginning 2016 and ending in 2036, in the amount for each year calculated by the Pricing Committee after award of the Proposal, which in all events for each year shall be in an amount equal to not less than five percent (5%) in excess of the amount needed to pay, when due, the principal of and interest on the Bonds.

After delivery of the Bonds, the tax levies shall be irrevocable so long as any Bonds remain outstanding and unpaid; provided, however, that the Port Authority reserves the right and power to reduce the levy in any year in the manner and to the extent permitted by Minnesota Statutes, Section 469.060, Subd. 6. The levy herein made is irrevocably appropriated to payment of principal of and interest on the Bonds.

18. General Obligation Pledge. Pursuant to the specific authorization contained in the Ordinance, Port Authority hereby pledges the full faith, credit and resources of the City of Saint

Paul for the prompt and full payment of the principal of and interest on the Bonds. In the event that the balance in the Debt Service Fund is ever insufficient to pay all principal of and interest on the Bonds when due, the Port Authority and the City shall levy such additional taxes upon all taxable property within the City to cure said deficiency, which levy may be made without limitation as to rate or amount.

19. Certificate of Registration. The Secretary of the Port Authority is hereby directed to file a certified copy of this resolution, as well as an originally executed copy of the Pricing Committee's certificate authorized and described in Section 3 of this resolution, with the Director of the Department of Property Taxation of Ramsey County, Minnesota, together with such other information as he or she shall require, and to obtain the Director's certificate that the Bonds have been entered in the Director's bond register, and that the tax levy required by law and this resolution has been made.

20. Records and Certificates. The officers of the Port Authority are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Bonds, certified copies of all proceedings and records of the Port Authority relating to the Bonds and to the financial condition and affairs of the Port Authority and/or the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the 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 Port Authority as to the facts recited therein.

21. Rating. The officers of the Port Authority are hereby authorized to seek a rating or ratings for the Bonds from such nationally recognized rating agencies as shall be recommended by the municipal advisor to the Port Authority; and are hereby authorized to deliver to such rating agencies such information relating to the Port Authority and/or the City as shall be reasonably requested by such rating agencies for the purpose of assigning a rating to the Bonds, and to make such changes to the Bonds as are required by the rating agencies for purposes of obtaining a rating.

22. Official Statement. Port Authority management is hereby authorized to work with the City, the Municipal Advisor and counsel to the Port Authority to prepare an official statement to be used to offer the Bonds for sale, and to provide for use in that official statement such information about the Port Authority as Port Authority management, with the advice of the Municipal Advisor and counsel, deems necessary and appropriate for complete disclosure.

Adopted: March 22, 2016

PORT AUTHORITY OF THE  
CITY OF SAINT PAUL

By \_\_\_\_\_  
Its Chair

ATTEST

\_\_\_\_\_  
Secretary