



Legislation Details (With Text)

File #: RES PH 24- 171 **Version:** 1

Type: Resolution-Public Hearing **Status:** Agenda Ready

In control: City Council

Final action:

Title: Authorizing the City to enter into a purchase agreement for 60 West Sycamore to house the Public Works Solid Waste and Recycle Services; amending the 2024 budget to establish the spending and financing for the purchase; and declaring the official intent of the City to reimburse certain original expenditures related to the capital projects from the proceeds of tax-exempt or taxable bonds to be issued by the City.

Sponsors: HwaJeong Kim

Indexes: Bond Sale

Code sections:

Attachments: 1. Exhibit A - Purchase and Sale Agreement - 60 Sycamore St. W 712024, 2. Financial Analysis RES PH 24-171

| Date | Ver. | Action By | Action | Result |
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Authorizing the City to enter into a purchase agreement for 60 West Sycamore to house the Public Works Solid Waste and Recycle Services; amending the 2024 budget to establish the spending and financing for the purchase; and declaring the official intent of the City to reimburse certain original expenditures related to the capital projects from the proceeds of tax-exempt or taxable bonds to be issued by the City.

WHEREAS, the City of Saint Paul ("City"), acting through its Department of Public Works, seeks to purchase the commercial property and land located at 60 West Sycamore in Saint Paul (the "Property") for a facility for the City's Public Works Department's Solid Waste and Recycling Services (the "Solid Waste and Recycling Operations"); and

WHEREAS, the Property will house the programming, customer service and collection staff as well as the collection equipment and vehicles for the City's Solid Waste and Recycling Operations; and

WHEREAS, in addition, the Property will also have an education center, expanded recycling drop off center and a year-round free re-use center for the City's Solid Waste and Recycling Operations; and

WHEREAS, the purchase of the Property aligns with Mayoral priorities as presented in the 2024 State of Our City Address and with the Garbage Advisory Committee Report recommending the City provide collection services to 10% of organized collection properties; cart inventory maintenance duties; customer service; billing functions; and

WHEREAS, the City, acting through its Office of Financial Services Real Estate Section, will enter into a sale and purchase agreement to acquire the Property (the "Purchase Agreement"), the form of which is attached hereto as Exhibit A; and

WHEREAS, the City has agreed to pay six million five hundred thousand and 00/100 dollars (\$6,500,000.00) plus related acquisition and closing costs to acquire the Property, this being a fair and reasonable value as determined by an independent appraisal, negotiated and agreed to between the seller and the City and recommended by the Real Estate Manager; and

WHEREAS, the City anticipates tax-exempt or taxable debt financing or a combination thereof, through the issuance of bonds or notes (the "Bonds") to fund or reimburse the City for the cost of the purchase of the Facility and the payment of related costs, a resolution for the issuance and sale of the Bonds will be brought forward to the City Council at a later date to finance the full cost of the purchase of the Property; and

BE IT FURTHER RESOLVED, by the Council of the City of Saint Paul, upon recommendation of the Mayor, that \$6,500,000 plus the amount necessary to fund related acquisition and closing costs is available for appropriation in the 2024 budget, and said budget, as heretofore adopted by Council, is hereby further amended by the particulars as specified in the attached financial analysis; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PAUL, MINNESOTA, AS FOLLOWS:

1. The City Council hereby authorizes and directs the proper City officials to execute said Purchase Agreement in a form and content substantially as set forth in Exhibit A; to pay \$6,500,000.00 plus any related acquisition and closing costs and to execute and record with the Ramsey County Recorder's Office and/or Registrar of Titles any documents necessary to complete the sale and purchase.

2. Mayor and Director of Public Works, Director, Office of Financial Services or their respective proper designees (collectively, the "City Officials") and other officers, employees, and agents of the City are hereby authorized to execute and deliver the Purchase Agreement and any related instruments, documents, and certificates for the acquisition of the Property. The approval hereby given to the Purchase Agreement and related documents, instruments and certificates includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate as determined by the parties thereto and approved by the Saint Paul City Attorney to Public Works, the appropriate City staff person or by the officers authorized herein to execute or accept, as the case may be, said documents prior to their execution; and said officers or staff members are hereby authorized to approve said changes on behalf of the City. The execution of any instrument by the appropriate officer or officers of the City herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. In the event of absence or disability of the officers, any of the documents authorized by this Resolution to be executed may be executed without further act or authorization of the City Council by any member of the City Council or any duly designated acting official, or by such other officer or officers of the Board as, in the opinion of the Saint Paul City Attorney, may act in their behalf.

Any documents, instruments, or certificates authorized in this Resolution and required to be signed by one or more City Officials are authorized to be executed and delivered either manually or through an electronic document signing program such as DocuSign or AdobeSign as allowable under the law.

3. The City has a reasonable expectation (within the meaning of Treasury Regulations, Section 1.148-1(b)) that it will issue one or more series of tax-exempt bonds (the "Bonds") in the estimated principal amount not to exceed \$7,500,000 to finance or reimburse the acquisition of the Property and pay for related financing costs including capitalized interest and any reserves and that the City will make reimbursement allocations with respect to such original expenditures from the proceeds of such Bonds.

4. This Resolution shall be maintained as part of the books and records of the City at the main administrative office of the City, and shall be continuously available during normal business hours of the City on every business day of the period beginning not more than thirty (30) days after adoption of this Resolution and ending on the last date of issue of any Bonds.

5. This Resolution has been adopted not later than sixty (60) days after payment of any original expenditure for the Property to be subject to a reimbursement allocation with respect to the proceeds of the Bonds.

6. This Resolution is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Property is consistent with the City's budgetary and financial circumstances. No sources other than proceeds of Bonds to be issued by the City are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City's budget or financial policies to pay such expenditures for the Property.

7. This Resolution is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.