



City of Saint Paul

City Hall and Court House
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Legislation Text

File #: RES 14-621, **Version:** 1

Approving the sale of General Obligation Library Bonds, Series 2014C, to be issued by the Saint Paul Public Library Agency for the library projects, and levying a tax for the payment thereof.

WHEREAS, the Saint Paul Public Library Agency (the "Library Agency") may issue general obligation bonds payable from the full faith and credit and taxing power of the City as authorized by Laws of Minnesota for 2002, Chapter 390, Sections 36 through 38 (the "Library Agency Act"), and Minnesota Statutes, Chapter 475, as amended (the "Municipal Debt Act" and together with the Library Agency Act, the "Act"); and

WHEREAS, the Board of Commissioners (the "Library Board") of the Library Agency has heretofore determined that it is necessary and expedient to issue its General Obligation Library Bonds, Series 2014C (the "Series 2014C Bonds"), in order to secure funds to finance: (i) the current refunding of the 2015 through 2024 maturities of the Library Agency's General Obligation Library Bonds, Series 2004 (the "Series 2004 Bonds"), in the original aggregate principal amount of \$12,280,000 and outstanding in the principal amount of \$9,180,000; (ii) a portion of the cost of the construction, renovation, equipping, and installation of capital improvements to the Library Agency's Highland Park Branch (the "Highland Park Library") and Sun Ray Library Branch (the "Sun Ray Library") that will upgrade both the Highland Park Library and Sun Ray Library to 21st century library standards (the "2014 Library Projects"); and (iii) certain costs of issuance relating to the Series 2014C Bonds.

WHEREAS, the Library Agency, pursuant to a resolution adopted on this date (April 9, 2014) awarded the sale thereof to the initial purchaser; and

WHEREAS, in compliance with the provisions of the Act, the City has adopted an ordinance (the "Ordinance") pledging the full faith, credit and resources of the City to the Series 2014C Bonds; and

WHEREAS, the bylaws of the Library Agency provide for the execution of instruments, including the Series 2014C Bonds, in the manner provided in Chapter 86 of the Saint Paul Administrative Code, by the Mayor and the Director, Office of Financial Services; and

WHEREAS, the Series 2014C Bonds have been coordinated by the City's Treasurer, as a member of the Joint Debt Advisory Board, as provided in the Agency's bylaws and in Section 14.06 of the City's Legislative Code; and

WHEREAS, the City is required by the Library Agency Act and the Ordinance to levy a tax for the payment of the Series 2014C Bonds.

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

Section 1. Amount and Interest Rates. The City Council hereby acknowledges and accepts the amount of the Series 2014C Bonds and the interest rate for each maturity of the Series 2014C Bonds as set forth on Exhibit A hereto and previously approved by the Library Agency.

Section 2. Filing of Resolution. The Director, Office of Financial Services is authorized and directed to file a certified copy of this Resolution with the Auditor of Ramsey County (the "County") (or the official of the County performing the functions of the Auditor of the County) and to obtain the certificate required by Section 475.63 of the Municipal Debt Act, as amended.

Section 3. Tax Levy.

3.01. Pledge of Tax Levy. For the purpose of paying the principal of and interest on the Series 2014C 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 Series 2014C General Obligation Library Bonds Debt Service Fund (the "Series 2014C Debt Service Fund") provided in the resolution of the Board of Commissioners of the Library Agency adopted on the date hereof providing for the terms of the sale of the Series 2014C Bonds and shall be established by the Director, Office of Financial Services as financial staff for the Library Agency. 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>
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(See attached EXHIBIT B)

3.02 Overlevy Requirement. It is determined that the estimated collection of the foregoing Tax 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 2014C Bonds. The Tax so levied herein will be irrevocable until all of the Series 2014C Bonds are paid, provided that at the time the City makes its annual tax levies the Director, Office of Financial Services may certify to the Auditor of the County (or the official of the City performing the functions of the Auditor of the County) the amount available in the Series 2014C Debt Service Fund to pay principal and interest due during the ensuing year, and the Auditor of the County will thereupon reduce the levy collectible during such year by the amount so certified.

3.03. General Obligation Pledge. If amounts on deposit in the Series 2014C Debt Service Fund are not sufficient to pay principal and interest on the Series 2014C Bonds, as the same 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 Series 2014C Debt Service Fund is ever insufficient to pay all principal and interest then due on the Series 2014C 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 Series 2014C Debt Service Fund when a sufficient balance is available therein.

Section 4. 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 (the "Continuing Disclosure Certificate") relating to the Series 2014C Bonds as set forth in Appendix C of the Official Statement (as defined below). The Continuing Disclosure Certificate is hereby approved with such changes, modifications, additions, and deletions as shall be necessary and appropriate and approved by the Director, Office of Financial Services and Kennedy & Graven, Chartered, bond counsel to the City.

Section 5. Official Statement. There have been submitted to this City Council the form of the Preliminary Official Statement for the Series 2014C Bonds (the "Preliminary Official Statement"). The use and distribution of the Preliminary Official Statement and of a final Official Statement (the "Official Statement"), by the initial purchaser in connection with the offer and sale of the Series 2014C Bonds is hereby approved. The Mayor, City Clerk, and Director, Office of Financial Services, or their appropriate 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.

Section 6. 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.

Section 7. 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.

Section 8. Furnishing of Documents. The officers of the City are authorized and directed to prepare and furnish to the Underwriters and to Kennedy & Graven, Chartered, as bond counsel to the Library Agency and the City, certified copies of proceedings and records of the City relating to the Series 2014C Bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Series 2014C Bonds, and such instruments, including any heretofore furnished, will be deemed representations of the City as to the facts stated therein.