Legislation Details (With Text)

File #:	RES 18-342 **Version:** 1		
Type:	Resolution	**Status:**	Passed
		In control:	City Council
		Final action:	2/28/2018
Title:	Granting preliminary approval to the issuance of certain general obligation and revenue bonds as approved in the 2018 budget of the City of Saint Paul; expressing the intent of the City of Saint Paul to reimburse itself from the proceeds of such tax-exempt bonds; and authorizing City finance staff and advisors to take certain actions with respect to the sale of such bonds.		
Sponsors:	Amy Brendmoen		
Indexes:	Bond Sale		
Code sections:			
Attachments:	1. Exhibit A, 2. Master		

Date	Ver.	Action By	Action	Result
3/6/2018	1	Mayor's Office	Signed	
2/28/2018	1	City Council	Adopted	Pass

Granting preliminary approval to the issuance of certain general obligation and revenue bonds as approved in the 2018 budget of the City of Saint Paul; expressing the intent of the City of Saint Paul to reimburse itself from the proceeds of such tax-exempt bonds; and authorizing City finance staff and advisors to take certain actions with respect to the sale of such bonds.

WHEREAS, on December 13, 2017, the City Council (the “City Council”) of the City of Saint Paul, Minnesota (the “City”) approved the 2018 City Budget including the issuance of multiple series of general obligation and revenue indebtedness (collectively, the “Bonds”) in calendar year 2018 as described below and on Exhibit A attached hereto and made a part hereof; and

WHEREAS, the general obligation capital improvement bonds identified on Exhibit A attached hereto will be general obligations of the City payable from general ad valorem taxes and will (i) fund various capital improvement projects identified in the City’s adopted 2018 Capital Improvement Budget and Program, and (ii) pay costs of issuance; and

WHEREAS, the sewer revenue bonds identified on Exhibit A attached hereto will be special, limited obligations of the City payable solely from the City’s sewer enterprise fund and the sewer bonds will (i) fund certain sewer improvement and rehabilitation projects as set forth in the 2018 City Budget, and (ii) pay costs of issuance; and

WHEREAS, the Snelling-Midway district stormwater revenue notes identified on Exhibit A attached hereto will not be a general obligation of the City and will (i) fund a district stormwater project serving the Snelling-Midway redevelopment site and surrounding area, and (ii) pay costs of issuance; and

WHEREAS, the trash cart revenue notes identified on Exhibit A attached hereto will not be a general obligation of the City and will be payable from the City solid waste and recycling fees and will (i) fund the purchase and implementation of new trash carts, and (ii) pay costs of issuance; and

WHEREAS, the general obligation street improvement or street reconstruction bonds identified on Exhibit A

attached hereto will be general obligations of the City payable from general ad valorem taxes a portion of which may be payable from special assessments against benefited properties and will (i) fund certain Saint Paul Street Vitality Paving Program improvement and rehabilitation projects for 2018 as set forth in the 2018 City Budget, and (ii) pay costs of issuance; and

WHEREAS, the general obligation street improvement bonds identified on Exhibit A attached hereto will be general obligations of the City payable from general ad valorem taxes and special assessments against benefited properties and will (i) refund the City's General Obligation Variable Rate Street Improvement Special Assessment Bonds, Series 2015C (the "Series 2015C Bonds") and the City's General Obligation Variable Rate Street Improvement Special Assessment Bonds, Series 2016C (the "Series 2016C Bonds") and (ii) pay costs of issuance; and

WHEREAS, the general obligation capital note equipment financing identified on Exhibit A attached hereto will be general obligations of the City payable from general ad valorem taxes and will (i) fund public safety equipment, public works equipment and other capital equipment for use by City departments identified, and (ii) pay costs of issuance; and

WHEREAS, the City along with Springsted Incorporated, as the City's municipal advisor, are monitoring certain prior bond issues or other debt obligations of the City (including general obligation bonds, tax increment bonds, lease revenue bonds or prior lease-purchase agreements) for refunding in advance of their maturities as identified on Exhibit A hereto and the City may issue refunding bonds or other debt obligations as preliminarily approved by this resolution; and

WHEREAS, the City's Office of Financial Services and Springsted Incorporated, as the City's municipal advisor, also routinely monitor the City's other outstanding debt obligations not identified on Exhibit A for possible refunding opportunities and may bring forward any refundings identified by the Office of Financial Services at a later date; and

WHEREAS, City finance staff currently anticipates selling the obligations described above either by negotiated or competitive sale in calendar year 2018 in consultation with the City's municipal advisor.

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

1) The Director, Office of Financial Services, the City Treasurer, and other appropriate City officials and staff are hereby authorized and directed to proceed with preliminary actions for the issuance and sale of the obligations identified on Exhibit A attached hereto and made a part hereof, in the approximate principal amounts set forth therein. Each series of the obligations shall be issued and sold in conformance with the provisions of the City Charter and Minnesota law. The Director, Office of Financial Services and the City Treasurer are hereby authorized, when advantageous and in consultation with the City's municipal advisors, to take the necessary steps to optionally redeem any debt obligations for which there are debt service savings.

2) Springsted Incorporated is hereby named municipal advisor to the City with respect to the issuance and sale of the obligations, and the Office of Financial Services may also name Ehlers & Associates, Inc., as municipal advisor for certain obligations.

3) Barnes & Thornburg LLP is hereby named as bond counsel for the City with respect to the obligations and the Office of Financial Services or the City Attorney's Office may also name Kennedy & Graven, Chartered, as bond counsel for certain obligations.

4) Springsted Incorporated, Ehlers & Associates, Inc., Barnes & Thornburg LLP and Kennedy & Graven, Chartered, are hereby authorized to work with City staff to prepare the City's Official Statements or other offering documents and materials for the issuance and sale of the obligations and such other documents, instruments and certificates as may be necessary for further approval of this City Council for the completion of the sale of the obligations.

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5) The City intends to make expenditures for the capital projects financed by the obligations and reimburse such expenditures from the proceeds of the obligations. This resolution is intended to constitute a declaration of the City's official intent, for purposes of Section 1.150-2 of the Treasury Regulations, with respect to certain original expenditures made from any sources other than the proceeds of the obligations, in conjunction with the capital projects financed thereby for the new money obligations identified on Exhibit A.