



Legislation Details (With Text)

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Title:	Resolution authorizing the issuance of Tax Increment Revenue Bonds (Upper Landing and U.S. Bank Operations Center Subdistricts), Series 2019 and authorizing the execution of related documents; Districts 3 and 9, Ward 2		
Sponsors:	Rebecca Noecker		
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Date	Ver.	Action By	Action	Result
10/23/2019	1	Housing & Redevelopment Authority	Adopted	Pass

Resolution authorizing the issuance of Tax Increment Revenue Bonds (Upper Landing and U.S. Bank Operations Center Subdistricts), Series 2019 and authorizing the execution of related documents; Districts 3 and 9, Ward 2

WHEREAS, the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, a public body corporate and politic organized and existing under the laws of the State of Minnesota (the "Issuer"), is authorized by Minnesota Statutes, Sections 469.001-469.047, as amended (the "Redevelopment Act"), and Minnesota Statutes, Sections 469.174-469.1794, as amended (the "TIF Act"), to undertake redevelopment projects, to create tax increment financing districts, and to authorize, sell, and issue revenue bonds payable, in whole or in part, from tax increment revenues derived from tax increment financing districts; and

WHEREAS, pursuant to the provisions of Sections 469.178 and 469.174, subdivision 3, of the TIF Act, the Issuer is authorized to issue refunding bonds to redeem and prepay tax increment revenue bonds issued under the provisions of the TIF Act; and

WHEREAS, the Issuer created the Riverfront Renaissance Redevelopment Tax Increment Financing District (the "TIF District") within the Riverfront Redevelopment Project (as amended, the "Project Area"), located on both sides of the Mississippi River near the downtown area of the City of Saint Paul, Minnesota (the "City"), in order to redevelop previously improved land which had become blighted and contaminated; and

WHEREAS, Laws of Minnesota 2005, Chapter 152, Article 2, Section 28 (the "Special Law") authorized the Issuer to establish up to 6 subdistricts in the TIF District and provided that "each subdistrict shall be treated as a separate tax increment district"; and, pursuant to the terms of the Special Law, Subdistrict No. 225 ("Upper Landing Subdistrict") and Subdistrict No. 261 ("U.S. Bank Operations Center Subdistrict") have each been designated as separate subdistricts (the "TIF Subdistricts"), each to be treated as a separate tax increment district; and

WHEREAS, to obtain funds to refinance certain redevelopment costs associated with the redevelopment of the Upper Landing Subdistrict, the Issuer issued its Tax Increment Revenue Refunding Bonds (Upper Landing Project), Series 2012 (the "Series 2012 Bonds"), in the original principal amount of \$15,790,000; and

WHEREAS, to obtain funds to refinance certain redevelopment costs associated with the redevelopment of the U.S. Bank Operations Center Subdistrict, the City issued its General Obligation Tax Increment Refunding Bonds (U.S. Bank Operations Center Project), Series 2011G (the "Series 2011G Bonds" and, together with the Series 2012 Bonds, the "Prior Bonds"), in the original principal amount of \$8,870,000; and

WHEREAS, the Series 2012 Bonds were issued pursuant to Resolution No. 12-2074 adopted by the Board of Commissioners (the "Board") of the Issuer on November 14, 2012, and pursuant to an Indenture of Trust, dated as of December 1, 2012 (the "Series 2012 Indenture"), between the Issuer and U.S. Bank National Association, as trustee (the "Prior Trustee"); and

WHEREAS, the 2011G Bonds were issued pursuant to Resolution No. 11-1326 adopted by the City Council (the "Council") of the City on July 13, 2011 (the "Series 2011G Resolution"); and

WHEREAS, the tax increment revenues derived from the TIF Subdistricts which have been received and retained by the Issuer in accordance with the provisions of the TIF Act, including without limitation Section 469.177 thereof (the "Tax Increment Revenues") were pledged to payment of the Prior Bonds pursuant to the terms of the Series 2012 Indenture, the Series 2011G Resolution and a Tax Increment Pledge Agreement, dated as of August 1, 2011, from the Issuer to the City (the "Pledge Agreement"); and

WHEREAS, it is necessary and desirable and in the best interests of the Issuer and the City to issue tax increment revenue refunding bonds of the Issuer and apply the proceeds derived from the sale of the revenue refunding bonds to the redemption and prepayment of the outstanding Prior Bonds and to finance additional public improvements in the Project Area; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners (the "Board") of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota as follows:

1. For the purposes set forth above, there is hereby authorized the issuance, sale, and delivery of revenue bonds of the Issuer to be designated Tax Increment Revenue Bonds (Upper Landing and U.S. Bank Center Operations Subdistricts Project), Series 2019 (the "Bonds"), to be issued in an original aggregate principal amount not to exceed \$21,000,000. In the discretion of the Executive Director of the Issuer, the Bonds may be designated as otherwise determined by the Executive Director of the Issuer. The Bonds shall be issued under the terms of an Indenture of Trust, to be dated on or after December 1, 2019 (the "Indenture"), between the Issuer and U.S. Bank National Association, or such other trustee as may be selected by the Executive Director of the Issuer (the "Trustee"). The Bonds shall bear interest at fixed rates established by the terms of the Indenture in accordance with Section 9 hereof. The Bonds shall be numbered, shall be dated, shall mature, shall be subject to redemption prior to maturity, shall be in such form, and shall have such other terms, details, and provisions as are prescribed in the Indenture, in the form now on file with the Executive Director of the Issuer. All of the provisions of the Bonds, when executed as authorized herein, shall be deemed to be a part of this resolution (this "Resolution") as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof.

2. The Indenture is hereby approved in substantially the form now on file with the Executive Director of the Issuer, with such necessary and appropriate variations, omissions, and insertions as do not materially change the substance thereof, or as Chair of the Board (or any Commissioner), the Executive Director of the Issuer, and the Director of the Office of Financial Services of the City (collectively, the "Issuer Officials"), in their discretion, shall determine, and the execution and delivery thereof by the Issuer Officials shall be conclusive evidence of such determination. All of the provisions of the Indenture, when executed as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery

thereof.

3. The Tax Increment Revenues are hereby pledged to payment of the principal of, premium, if any, and interest on the Bonds when due in accordance with the terms of this Resolution and the Indenture. The pledge of the Tax Increment Revenues to the Bonds shall constitute a first, superior, and prior pledge of the Tax Increment Revenues (upon the defeasance of the Prior Bonds pursuant to the terms of the Series 2012 Indenture and the Series 2011G Resolution), subject to the right of the Issuer to issue Additional Bonds (as defined in the Indenture) to which the Issuer may pledge the Tax Increment Revenues on a parity basis with the Bonds, and subject to the other limitations set forth in Indenture. Nothing in this Resolution or in the Indenture or the Bonds shall preclude the Issuer from issuing obligations secured by a subordinate pledge of the Tax Increment Revenues or to permit obligations to remain outstanding that are secured by a subordinate pledge of the Tax Increment Revenues.

4. The Bonds are hereby authorized to be sold in a negotiated sale to Piper Jaffray & Co. (the "Underwriter") upon such terms and conditions as are deemed necessary and appropriate by the Issuer Officials and incorporated into the terms of a Bond Purchase Agreement, to be dated on or after November 1, 2019 (the "Bond Purchase Agreement"), between the Issuer and the Underwriter. The Bond Purchase Agreement is hereby approved in substantially the form now on file with the Executive Director of the Issuer, with such necessary and appropriate variations, omissions, and insertions as do not materially change the substance thereof, or as the BPA Signatory (as defined in Section 6 hereof), in his or her discretion, shall determine, and the execution of the Bond Purchase Agreement by the BPA Signatory shall be conclusive evidence of such determination. All of the provisions of the Bond Purchase Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof.

5. The Issuer Officials are hereby authorized and directed to execute and deliver on behalf of the Issuer a Continuing Disclosure Agreement, to be dated on or after December 1, 2019 (the "Continuing Disclosure Agreement"), between the Issuer and the U.S. Bank National Association, as dissemination agent. The Continuing Disclosure Agreement is hereby approved in substantially the form now on file with the Executive Director of the Issuer, with such necessary and appropriate variations, omissions, and insertions as do not materially change the substance thereof, or as the Issuer Officials, in their discretion, shall determine, and the execution of the Continuing Disclosure Agreement by the Issuer Officials shall be conclusive evidence of such determination. All of the provisions of the Continuing Disclosure Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Executive Director of the Issuer, in the sole and absolute discretion of the Executive Director of the Issuer, may elect to terminate the Continuing Disclosure Agreement and substitute therefor a continuing disclosure certificate or continuing disclosure undertaking pursuant to which the Issuer will assume the sole responsibility for complying with the continuing disclosure obligations of the Issuer pursuant to SEC Rule 15c2-12, as amended.

6. The Issuer Officials, with the approval as to form by the City Attorney, are hereby authorized and directed to execute and deliver the Bonds, the Indenture, the Bond Purchase Agreement, the Continuing Disclosure Agreement and any consents, subordinations, and such other documents as are necessary or appropriate in connection with the issuance, sale, and delivery of the Bonds, including without limitation various certificates of the Issuer, the IRS Form 8038-G, a certificate as to arbitrage and rebate, and similar documents (collectively, the "Financing Documents"); provided that the Bond Purchase Agreement may be executed solely by the Executive Director of the Issuer or, in the absence of the Executive Director of the Issuer or any Acting or Interim Executive Director of the Issuer as determined in accordance with the last sentence of the following paragraph, the Chair of the Board (the "BPA Signatory").

The approval hereby given to the Financing Documents 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 the Issuer, the appropriate Issuer 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 Issuer. The execution of any instrument by the appropriate officer or officers of the Issuer 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 Board by any member of the Board 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.

It is hereby found, determined, and declared that the issuance and sale of the Bonds, the execution and delivery by the Issuer of the Financing Documents, and the performance of all covenants and agreements of the Issuer contained in the Financing Documents and of all other acts and things required under the Constitution and laws of the State of Minnesota to make the Financing Documents and the Bonds the valid and binding special obligations of the Issuer in accordance with their terms, are authorized by applicable Minnesota law, including, without limitation, the Redevelopment Act, the TIF Act, and this Resolution.

7. The Bonds shall not constitute general or moral obligations of the Issuer. The Bonds are revenue bonds of the Issuer and are not to be payable from or chargeable against any funds other than the Revenues (as defined in the Indenture) and other assets expressly pledged to the payment of the Bonds pursuant to the terms of this resolution, the Indenture, and the terms of the Bonds. The Issuer and the City shall not be subject to any liability thereon other than from such Revenues and assets pledged thereto and no holder of any Bonds shall have the right to compel any exercise by the Issuer or the City of their taxing powers (other than as contemplated by the pledge of Tax Increment Revenues) to the payment of the principal of, premium, if any, and interest on the Bonds or to enforce payment thereof against any property of the Issuer or the City other than the property expressly pledged thereto. The Bonds shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the Issuer or the City other than the Revenues and other assets described in the Granting Clauses of the Indenture, all of which have been assigned to the Trustee under the terms of the Indenture. The Bonds shall not constitute a debt of the Issuer within the meaning of any constitutional or statutory limitation on indebtedness.

8. With the assistance of the Underwriter, counsel to the Underwriter, the municipal advisor to the Issuer, bond counsel to the Issuer, disclosure counsel to the Issuer, and the City Attorney, the Executive Director of the Issuer is hereby authorized to prepare a Preliminary Official Statement and an Official Statement with respect to the offer and sale of the Bonds and to authorize the distribution of the Preliminary Official Statement and the Official Statement to the Underwriter of the Bonds. When deemed appropriate by the Executive Director of the Issuer, the Executive Director of the Issuer is authorized to deliver to the Underwriter a certification on behalf of the Issuer that the Preliminary Official Statement is deemed final as of its date except for the omission of no more than the following information: (i) the offering prices; (ii) interest rates; (iii) selling compensation; (iv) aggregate principal amount; (v) principal amount per maturity; (vi) delivery date; and (vii) any other terms of the Bonds depending on such facts.

9. There is hereby created and appointed a Pricing Committee for the Bonds consisting of the Executive Director of the Issuer and the Director, Office of Financial Services of the City, or their designees, advised as appropriate by a representative of the municipal advisor of the Issuer. The Pricing Committee is hereby authorized and directed to make the following determinations (subject to the limitations expressed herein): (i) the original principal amount of the Bonds, provided that the aggregate original aggregate principal amount of the Bonds shall not exceed the maximum principal amount authorized in Section 1 of this Resolution; (ii) the interest rate per annum to be borne by each maturity of the Bonds, provided that the true interest cost for the Bonds shall not exceed 4.37% per annum; (iii) the maturity dates for the Bonds; (iv) the principal amount of each serial maturity, or term bond maturity, if applicable, of the Bonds, in denominations of not less than \$100,000, and the sinking fund redemption schedule for each term maturity of the Bonds, if

applicable; (v) the dates on which each series of Bonds may be optionally redeemed; and (vi) the original issue discount or the original issue premium at which each maturity of the Bonds will be offered, subject to the true interest cost limitation set forth in clause (ii) of this Section 9. On the date such determinations are made and the Bond Purchase Agreement is signed, the members of the Pricing Committee shall execute a certificate setting forth its determinations, which certificate shall be attached to this Resolution and become part of the official records of the Issuer relating to the Bonds.

10. The Issuer hereby approves the execution and delivery by the Trustee of the Indenture and all other instruments, certificates, and documents prepared in conjunction with the issuance of the Bonds that require execution by the Trustee, and the execution and delivery by the Prior Trustee of any documents prepared in conjunction with the Prior Bonds that require execution by the Prior Trustee. The Trustee is appointed as Paying Agent pursuant to Section 9-10 of the Indenture and is directed to maintain and keep a Bond Register for the registration and transfer of Bonds pursuant to Section 2-9 of the Indenture and such appointments are hereby ratified and confirmed.

11. On or after the date of issuance of the Bonds, the Issuer Officials are hereby authorized and directed to take any or all of the following actions to provide for the defeasance, redemption, and prepayment of the Prior Bonds pursuant to the terms of the Prior Indentures, including providing for the delivery of any conditional or unconditional notices of redemption, the establishment of a defeasance escrow to provide for the defeasance of the Prior Bonds, obtaining a defeasance opinion of bond counsel, and retaining a verification agent to verify the sufficiency of the defeasance escrow to pay all principal of, premium, if any, and interest on the Prior Bonds on the redemption dates established for the Prior Bonds.

12. In case any one or more of the provisions of this Resolution, or of the aforementioned documents, or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, or of the aforementioned documents, or of the Bonds, but this Resolution, the aforementioned documents, and the Bonds shall be construed and endorsed as if such illegal or invalid provisions had not been contained therein.

13. The Bonds, when executed and delivered, shall contain a recital that they are issued pursuant to the Redevelopment Act and the TIF Act, and such recital shall be conclusive evidence of the validity of the Bonds and the regularity of the issuance thereof, and that all acts, conditions, and things required by the laws of the State of Minnesota relating to the adoption of this Resolution, to the issuance of the Bonds, and to the execution of the aforementioned documents to happen, exist, and be performed precedent to the execution of the aforementioned documents have happened, exist, and have been performed as so required by law.

14. The officers of the Issuer, bond counsel, disclosure counsel, other attorneys, and other agents or employees of the Issuer are hereby authorized to do all acts and things required of them by or in connection with this Resolution, the aforementioned documents, and the Bonds for the full, punctual, and complete performance of all the terms, covenants, and agreements contained in the Bonds, the aforementioned documents, and this Resolution. In the event that for any reason any of the Issuer Officials is unable to carry out the execution of any of the documents or other acts provided herein, such documents may be executed and such actions may be taken by any official or employee of the Issuer or the City delegated the duties of any such Issuer Official with the same force and effect as if such documents were executed and delivered by such Issuer Official.

15. On any date subsequent to the date of issuance of the Bonds, the Issuer Officials are hereby authorized to execute and deliver any amendments or supplements to any of the documents referred to in this Resolution or other documents executed and delivered in connection with the issuance of the Bonds. The Issuer Officials may impose any terms or conditions on the execution and delivery of any such amendment or supplement as the Issuer Officials deem appropriate. The authority to approve, execute, and deliver future amendments to the documents referred to in this Resolution or other documents executed and delivered in connection with the issuance of the Bonds entered into by the Issuer in connection with the transactions contemplated hereby is hereby delegated to the Executive Director of the Issuer and Director, Office of

Financial Services of the City, subject to the following conditions: (a) such amendments do not require the consent of the holders of the Bonds or, if required, such consent has been obtained; (b) such amendments do not materially adversely affect the interests of the Issuer as the issuer of the Bonds; (c) such amendments do not contravene or violate any policy of the Issuer; (d) such amendments are acceptable in form and substance to the City Attorney, bond counsel, or other counsel retained by the Issuer to review such amendments; and (e) the Issuer has received, if necessary, an opinion of bond counsel to the effect that the amendments will not adversely affect the tax-exempt character of interest on the Bonds, if such Bonds are then tax-exempt obligations. The authorization hereby given shall be further construed as authorization for the execution and delivery of such certificates and related items as may be required to demonstrate compliance with the agreements being amended and the terms of this Resolution. The execution of any instrument by the Executive Director of the Issuer and Director, Office of Financial Services of the City shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof. In the absence of the Executive Director of the Issuer or Director, Office of Financial Services of the City, any instrument authorized by this paragraph to be executed and delivered may be executed by the officer of the Issuer authorized to act in their place and stead.

16. The Issuer hereby approves amending the HRA Budget as set forth in the attached Financial Analysis.

17. This Resolution shall be in full force and effect from and after its passage.