Legislation Details (With Text)

File #:	RES 21-119 **Version:** 1		
Type:	Resolution	**Status:**	Passed
		In control:	City Council
		Final action:	2/3/2021
Title:	Granting preliminary approval to the issuance of certain general obligation and revenue bonds as approved in the 2021 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. 2021 Debt Strategy - Exhibit A, 2. 2021 Debt Strategy - Exhibit B		

Date	Ver.	Action By	Action	Result
2/8/2021	1	Mayor's Office	Signed	
2/3/2021	1	City Council		

Granting preliminary approval to the issuance of certain general obligation and revenue bonds as approved in the 2021 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 9, 2020 the City Council (the “City Council”) of the City of Saint Paul, Minnesota (the “City”) approved the 2021 City Budget including the proposed issuance of multiple series of general obligation and revenue indebtedness (collectively, the “Bonds”) in calendar year 2021 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 approved Capital Improvement Budget for the years 2021 through 2025, 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 2021 City Budget, and (ii) pay costs of issuance; and

WHEREAS, the water revenue bonds identified on Exhibit A attached hereto will be special, limited obligations of the City payable solely from revenues of the Saint Paul Regional Water Services and the water revenue bonds will (i) fund certain water improvement and rehabilitation projects as set forth in the Water Capital Improvement Plan for the years 2021 through 2025, and (ii) pay costs of issuance; and

WHEREAS, the general obligation street improvement or 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 program improvement and rehabilitation projects for 2021/2022 as set forth in the 2021 City Budget,

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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 and other capital equipment for use by City departments identified in the 2021 City Budget, and (ii) pay costs of issuance; and

WHEREAS, on December 4, 2019, the City Council approved RES PH 19-388 approving an amendment to the Capital Improvement Budget; declaring official intent to reimburse expenditures from the proceeds of tax exempt bonds; authorizing interfund loans; providing for the use of Project Labor Agreements in accordance with policy; and authorizing execution of a redevelopment agreement and related documents for the Ford Site Redevelopment Project (District 15, Ward 3) as identified on Exhibit B attached hereto; and

WHEREAS, the City, along with Baker Tilly Municipal Advisors, LLC, Ehlers & Associates, Inc., and PFM Financial Advisors LLC, as the City's municipal advisors, are monitoring certain prior bond issues or other debt obligations of the City and the Saint Paul Public Library Agency (including general obligation, 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 the City's municipal advisors 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 and in Exhibit A or Exhibit B either by negotiated or competitive sale in calendar year 2021 in consultation with the City's municipal advisors.

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 and Exhibit B 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 bonds for which there are debt service savings.

2) Baker Tilly Municipal Advisors, LLC, Ehlers & Associates, Inc., and PFM Financial Advisors LLC are hereby named municipal advisors to the City with respect to the issuance and sale of the obligations.

3) Ballard Spahr LLP and Kennedy & Graven, Chartered are hereby named as bond counsel for the City with respect to the obligations and the Office of Financial Services or other City Attorney's Office.

4) Baker Tilly Municipal Advisors, LLC, Ehlers & Associates, Inc., PFM Financial Advisors LLC, Ballard Spahr LLP, and Kennedy & Graven, Chartered are hereby authorized to work with City staff to prepare the City's 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.

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 and equipment financed thereby for

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the new money obligations identified on Exhibit A and Exhibit B.

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