



Legislation Text

File #: RES 13-1671, **Version:** 1

Authorizing the issuance of Taxable General Obligation Capital Improvement Bonds in order to finance a portion of the costs of the Lowertown Ballpark Project and delegating a pricing committee to set the terms thereof within parameters set forth in this resolution; fixing the form and specifications of the Bonds; directing the execution and delivery of the Bonds; providing for the payment of and levying a tax for the Bonds; authorizing the Parks and Recreation Department to submit grant applications for the Lowertown Ballpark Project; and approving a Record of Internal Loan for the Lowertown Ballpark Project.

WHEREAS, the Minnesota Department of Employment and Economic Development and the Metropolitan Council Tax Base Revitalization Account Contamination Cleanup Grant Programs and the Ramsey County Environmental Response Fund were established to assist with complex and costly redevelopment projects that might not occur without public financial assistance; and

WHEREAS, pursuant to Minnesota Statutes §§ 116J.571 - 116J.575, the Minnesota Department of Employment and Economic Development has the authority to award grants to assist development authorities with eligible redevelopment costs; and

WHEREAS, the City of Saint Paul is a participant in the Livable Communities Act's Local Housing Incentives Account Program for 2013 as determined by the Metropolitan Council, and is therefore eligible to make application for funds under the Tax Base Revitalization Account; and

WHEREAS, the City has identified the Lowertown Ballpark Project as a contamination cleanup project within the City that meets the Tax Base Revitalization Account's purposes and criteria and are consistent with and promote the purposes of the Metropolitan Livable Communities Act and the policies of the Metropolitan Council's adopted metropolitan development guide; and

WHEREAS, the City represents that it has undertaken reasonable and good faith efforts to procure funding for the activities for which Contamination Cleanup Grant Program funding and Tax Base Revitalization Account Grant Program funding is sought but was not able to find or secure from other sources funding that is necessary for cleanup completion and states that this representation is based on the following reasons and supporting facts: revenue and expenditure pressures leave the City with insufficient general fund resources to invest in remediation activities, and the City has determined that the site is not eligible for certain State cleanup funding sources such as the Petrofund and the Dry Cleaners Fund; and

WHEREAS, the City of Saint Paul, Minnesota, a home rule charter city and a political subdivision of the State of Minnesota (the "City"), is authorized by Laws of Minnesota for 1971, Chapter 773, as amended (the "Act"), and the provisions of Minnesota Statutes, Chapter 475, as amended (the "Municipal Debt Act"), to issue capital notes, bonds or certificates of indebtedness in order to finance capital improvements in the City if such capital improvements are made in accordance with the requirements of the City Charter; and

WHEREAS, the City is proposing to issue its Taxable General Obligation Capital Improvement Bonds, Series 2013E (the "Series 2013E Bonds"), pursuant to the terms of the Act and the Municipal Debt Act; and

WHEREAS, the proceeds of the Series 2013E Bonds will finance (i) a portion of the cost of the construction, installation, and equipping of a new multi-purpose regional ballpark (the "Ballpark") and related infrastructure,

(ii) capitalized interest on the Series 2013E Bonds, and (iii) certain costs of issuance relating to the Series 2013E Bonds; and

WHEREAS, the Ballpark is a project that is identified as a capital improvement in the City's 2013 Capital Improvement Budget; and

WHEREAS, upon recommendation of the Mayor and the advice of the Long Range Capital Improvement Budget Committee, the 2013 Capital Improvement Budget, heretofore adopted and amended by this Council provided that at least \$8,500,000 is available for appropriation in 2013 and available for the construction, installation, and equipping of the Ballpark and related infrastructure; and

WHEREAS, the City Council previously gave its approval to the financing plan for the Ballpark and gave its preliminary approval to the issuance of the Series 2013E Bonds by adopting RES PH 12-213 on July 18, 2012; and

WHEREAS, the City has retained Springsted Incorporated as its independent financial advisor with respect to the sale of the Series 2013E Bonds and is conducting the sale of the Series 2013E Bonds in accordance with the provisions of Section 475.60 of the Municipal Debt Act; and

WHEREAS, after discussions with Springsted Incorporated and Piper Jaffray & Co. (the "Placement Agent"), it has been determined that a placement of the Series 2013E Bonds with one or more institutional investors (collectively, the "Purchasers") will provide for the most efficient and cost-effective financing structure; and

WHEREAS, the City has engaged the Placement Agent to place the Series 2013E Bonds with the Purchasers within the parameters set forth in this Resolution; and

WHEREAS, the Office of Financial Services of the City has presented a proposal to delegate to a pricing committee (the "Pricing Committee") the negotiations with the Placement Agent and the Purchasers for the sale of the Series 2013E Bonds; and

WHEREAS, the Pricing Committee shall consist of the Director, Office of Financial Services or his designee, the Deputy Director, Office of Financial Services or his designee, and a representative of Springsted Incorporated; and

WHEREAS, the City amended the Lowertown Ballpark Project budget with City Budget resolution RES PH 13-184 approved on July 24, 2013 after a public hearing, which included an internal loan of up to \$6,000,000; and

WHEREAS, there are available funds in F 070 the ("City Internal Loan Fund") in 2013 for this capital project; and

WHEREAS, the advance, until repaid, will bear interest at the monthly City treasury portfolio investment rate (the "Pool Rate"). The Pool Rate is variable and reset monthly by City; and

WHEREAS, the advance is expected to be repaid from external funding sources including grants and ballpark revenues including additional tenant rent; and

WHEREAS, in the Record of Internal Loan in Exhibit C, which is substantially final form, is expected to be repaid with interest within 5 years of the initial city advance;

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Saint Paul, Minnesota, that the City of Saint Paul, Department of Parks and Recreation is hereby authorized to make the following grant applications

on November 1, 2013:

1. Contamination Cleanup Grant through the Minnesota Department of Employment and Economic Development (DEED) in an amount up to \$750,000;
2. Contamination Cleanup Grant through the Metropolitan Council Tax Base Revitalization Account (TBRA) in an amount up to \$1,000,000;
3. Environment Response Fund grant through Ramsey County (ERF) in an amount up to \$1,000,000; to fund contamination cleanup costs at the Lowertown Ballpark site in Saint Paul, Minnesota; and

BE IT FURTHER RESOLVED that the City has the institutional, managerial, and financial capability to ensure adequate project and grant administration; and

BE IT FURTHER RESOLVED the City finds that the required contamination cleanup will not occur through private or other public investment within the reasonably foreseeable future without Tax Base Revitalization Account grant funding; and

BE IT FURTHER RESOLVED the City represents that it has undertaken reasonable and good faith efforts to procure funding for the activities for which Livable Communities Act Tax Base Revitalization Account funding is sought but was not able to find or secure from other sources funding that is necessary for cleanup completion; and

BE IT FURTHER RESOLVED that the City has not violated any Federal, State, or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest, or other unlawful or corrupt practice; and

BE IT FURTHER RESOLVED that the sources and amounts of the local match identified in the application are committed to the project identified; and

BE IT FURTHER RESOLVED that the City has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration; and

BE IT FURTHER RESOLVED that the City agrees to act as legal sponsor to administer and be responsible for grant funds expended for the Lowertown Ballpark Project contained in the DEED, Metropolitan Council TBRA and Ramsey County ERF grant applications submitted on November 1, 2013; and

BE IT FURTHER RESOLVED that upon approval of the application by the State, Metropolitan Council, Ramsey County and the City of Saint Paul may enter into agreement with the State, Metropolitan Council, and Ramsey County for the Lowertown Ballpark Project; and

BE IT FURTHER RESOLVED that the City certifies that it will comply with all applicable laws and regulations as stated in the contract grant agreements.

BE IT FURTHER RESOLVED that the Mayor and the Clerk of the City of Saint Paul, are hereby authorized to execute such agreements as are necessary to implement the project on behalf of the City of Saint Paul; and

BE IT FURTHER RESOLVED that the attached Record of Internal Loan is approved in substantially final form in Exhibit A, and is to be executed by the Director, Office of Financial Services and the Parks and Recreation Director; and

BE IT FINALLY RESOLVED, as follows:

Section 1. Sale of Series 2013E Bonds.

1.01. Purpose of the Series 2013E Bonds. The City is proposing to issue the Series 2013E Bonds, pursuant to the Act and the Municipal Debt Act, in the original aggregate principal amount not to exceed \$8,500,000, in order to finance (i) a portion of the cost of the construction, installation, and equipping of a new multi-purpose regional ballpark (the "Ballpark") and related infrastructure, (ii) capitalized interest on the Series 2013E Bonds, and (iii) certain costs of issuance relating to the Series 2013E Bonds.

1.02. Requirements of the Act and the Municipal Debt Act. The City has complied with the provisions of the Act and the Charter regarding the approval of the 2013 Capital Improvement Budget and the Ballpark. The proceeds of the Series 2013E Bonds shall be used for the purposes described in the Act and any excess money shall be devoted to any other purpose permitted by law. The total cost of the Ballpark, which shall include all costs enumerated in Section 475.65 of the Municipal Debt Act, is estimated to be more than the amount of the Series 2013E Bonds. Work on the Ballpark shall proceed with due diligence to completion.

1.03. Sale of Series 2013E Bonds. This City Council hereby determines that it would be in the best interests of the City to issue and sell the Series 2013E Bonds to the Purchasers subject to the approval of the Pricing Committee and compliance with the parameters set forth below. The Pricing Committee may approve the sale of the Series 2013E Bonds to the Purchasers on terms and at a purchase price within the following limitations:

- (a) The total original aggregate principal amount of the Series 2013E Bonds shall not exceed \$8,500,000;
- (b) The combined interest rate on the Series 2013E Bonds shall not exceed 5.50% and
- (c) The final maturity of the Series 2013E Bonds shall not be later than December 1, 2039.

If the Series 2013E Bonds are issued in calendar year 2014, then the Director, Office of Financial Services is authorized to make such conforming changes as are necessary to properly issue the Series 2013E Bonds, including, but not limited to the changing the naming of the Series 2013E Bonds.

1.04. Execution of Placement Agreement/Term Sheet. The Director, Office of Financial Services or designee, on behalf of the City, is directed to execute a placement agreement/term sheet with the Purchasers and/or Placement Agent with respect to the Series 2013E Bonds.

1.05. General Terms of the Series 2013E Bonds. The Series 2013E Bonds shall be dated as of their date of issuance or such other date as the City Treasurer may determine in denominations of \$5,000 or any integral multiple thereof, and shall be numbered from R-1 upwards in order of issuance, or with such other numbering and in such other order as the Director, Office of Financial Services may determine. The issuance, sale and delivery of the Series 2013E Bonds pursuant to the Act and the Municipal Debt Act are hereby approved by the City.

1.06. Redemption.

(a) Optional Redemption. The optional redemption provisions of the Series 2013E Bonds shall be determined by the Pricing Committee.

(b) Scheduled Mandatory Redemption. Scheduled mandatory redemption, if any, shall be determined by the Pricing Committee and shall be in the amounts set forth in a Certificate of Pricing Committee.

(c) Selection of Series 2013E Bonds to be Redeemed: Redemption Procedure. In the event any of the

Series 2013E Bonds are called for redemption, notice thereof identifying the Series 2013E Bonds to be redeemed shall be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Series 2013E Bonds to be redeemed at the address shown on the registration books kept by the Registrar and, if required by law, publishing the notice thereof. Failure to give notice by publication or by mail to any registered owner, or any defect therein, shall not affect the validity of the proceedings for the redemption of Series 2013E Bonds. Series 2013E Bonds so called for redemption shall cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the Registrar at that time.

(d) Notice of Redemption. The Registrar shall call Series 2013E Bonds for optional redemption and prepayment as herein provided upon receipt by the Registrar at least forty-five (45) days prior to the redemption date of a request of the City, in written form if the Registrar is other than a City officer. Such request shall specify the principal amount of Series 2013E Bonds to be called for redemption and the redemption date.

Mailed notice of optional redemption shall be given to the Paying Agent (if other than a City officer) and to each affected Holder. If and when the City shall call any of the Series 2013E Bonds for redemption and prepayment prior to the stated maturity thereof, the Registrar shall give written notice in the name of the City of its intention to redeem and pay such Series 2013E Bonds at the office of the Registrar. Notice of redemption shall be given by first class mail, postage prepaid, mailed not more than sixty (60) days and not less than thirty (30) days prior to the redemption date, to each Holder of Series 2013E Bonds to be redeemed, at the address appearing in the Bond Register. All notices of optional redemption shall state: (i) the redemption date; (ii) the redemption price; (iii) if less than all outstanding Series 2013E Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Series 2013E Bonds to be redeemed; (iv) that on the optional redemption date, the redemption price will become due and payable upon each such Series 2013E Bond, and that interest thereon shall cease to accrue from and after said date; (v) the place where such Series 2013E Bonds are to be surrendered for payment of the redemption price (which shall be the office of the Registrar); and (vi), if acceptable to the Purchasers, include a statement that the redemption so noticed is conditioned on sufficient funds being held by the City on or before noon on the applicable redemption date to pay the full redemption price, and if at such time the amount so held is not sufficient to pay all amounts required to effect the noticed redemption in full, the redemption shall be cancelled, with all Series 2013E Bonds tendered for such redemption being returned to the holders thereof and no liability on the part of the City shall arise as a result of such cancellation.

Section 2. Form and Payment.

2.01. Form. The Series 2013E Bonds will be issued only in denominations of \$5,000 or integral multiples thereof. The interest thereon and, upon surrender of each Series 2013E Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein; provided that principal payable upon partial redemption of a Series 2013E Bond shall be made by check or draft issued by the Registrar without surrender.

2.02. Dates; Interest Payment Dates. Each Series 2013E Bond shall be dated as of the last interest payment date preceding the date of authentication to which interest on the Series 2013E Bonds has been paid or made available for payment, unless: (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Series 2013E Bonds will be dated as of the date of authentication; or (ii) the date of authentication is prior to the first interest payment date, in which case the Series 2013E Bonds will be dated as of the date of original issue. The Series 2013E Bonds shall mature on such dates and in such principal amounts as indicated on the Certificate of Pricing Committee. The Series 2013E Bonds shall bear interest at the rates per annum as indicated on the Certificate of Pricing Committee, computed on the basis of a 360-day year of twelve thirty-day months. The interest on the Series

2013E Bonds is payable to the registered owners of record thereof as of the close of business on the fifteenth (15th) day of the immediately preceding month, whether or not such day is a business day.

2.03. Registrar. The City Treasurer is hereby appointed as the initial bond registrar and paying agent (the "Registrar" and the "Paying Agent") for the Series 2013E Bonds. The City Treasurer shall serve as Registrar unless and until a successor Registrar is duly appointed. A successor Registrar shall be an officer of the City or a bank or trust company eligible for designation as Registrar pursuant to the Municipal Debt Act and may be appointed pursuant to any contract the City and such successor Registrar shall execute which is consistent herewith. The Registrar shall also serve as Paying Agent unless and until a successor Paying Agent is duly appointed. Principal and interest on the Series 2013E Bonds shall be paid to the registered holder or holders of the Series 2013E Bonds (the "Holder" or "Holders") in the manner set forth in the form of the Series 2013E Bonds. The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) *Register*. The Registrar shall keep a bond register in which the Registrar provides for the registration of ownership of the Series 2013E Bonds and the registration of transfers and exchanges of the Series 2013E Bonds entitled to be registered, transferred, or exchanged.

(b) *Transfer of Series 2013E Bonds*. Upon surrender for transfer of a Series 2013E Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Series 2013E Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth (15TH) day of the month preceding each interest payment date and until that interest payment date.

(c) *Exchange of Series 2013E Bonds*. When Series 2013E Bonds are surrendered by the registered owner for exchange, the Registrar shall authenticate and deliver one or more new Series 2013E Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner's attorney in writing.

(d) *Cancellation*. Series 2013E Bonds surrendered upon transfer or exchange shall be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) *Improper or Unauthorized Transfer*. When a Series 2013E Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Series 2013E Bond until the Registrar is satisfied that the endorsement on the Series 2013E Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) *Persons Deemed Owners*. The City and the Registrar may treat the person in whose name a Series 2013E Bond is registered in the bond register as the absolute owner of the Series 2013E Bond, whether the Series 2013E Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Series 2013E Bond and for all other purposes, and payments so made to a registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon the Series 2013E Bond to the extent of the sum or sums so paid.

(g) *Taxes, Fees, and Charges*. The Registrar may impose a charge upon the owner thereof for

a transfer or exchange of Series 2013E Bond sufficient to reimburse the Registrar for any tax, fee, or other governmental charge required to be paid with respect to the transfer or exchange.

(h) *Mutilated, Lost, Stolen or Destroyed Series 2013E Bond.* If a Series 2013E Bond becomes mutilated or is destroyed, stolen, or lost, the Registrar shall deliver a new Series 2013E Bond of like amount, number, maturity date, and tenor in exchange and substitution for and upon cancellation of the mutilated Series 2013E Bond or in lieu of and in substitution for any Series 2013E Bond destroyed, stolen, or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Series 2013E Bond destroyed, stolen, or lost, upon filing with the Registrar of evidence satisfactory to it that the Series 2013E Bond was destroyed, stolen, or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance, and amount satisfactory to it and as provided by law, in which both the City and the Registrar must be named as obligees. Series 2013E Bonds so surrendered to the Registrar shall be cancelled by the Registrar and evidence of such cancellation shall be given to the City. If the mutilated, destroyed, stolen, or lost Series 2013E Bond has already matured or been called for redemption in accordance with its terms, it is not necessary to issue a new Series 2013E Bond prior to payment.

2.04. Execution, Authentication and Delivery. The Series 2013E Bonds shall be prepared under the direction of its Mayor, City Clerk and Director, Office of Financial Services, or their respective designees, provided that all signatures may be printed, engraved, or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Series 2013E Bonds ceases to be such officer before the delivery of any Series 2013E Bond, that signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Series 2013E Bond shall not be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Series 2013E Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Series 2013E Bonds need not be signed by the same representative. The executed certificate of authentication on a Series 2013E Bond is conclusive evidence that it has been authenticated and delivered under this Resolution. When the Series 2013E Bonds have been so prepared, executed, and authenticated, the City shall deliver the same to the Purchasers upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchasers are not obligated to see to the application of the purchase price.

2.05. Temporary Series 2013E Bonds. The City may elect to deliver, in lieu of printed definitive Series 2013E Bonds, one or more typewritten temporary Series 2013E Bonds in substantially the form set forth in EXHIBIT A with such changes as may be necessary to reflect final terms of the Series 2013E Bonds as determined by the Director, Office of Financial Services. Upon the execution and delivery of definitive Series 2013E Bonds, the temporary Series 2013E Bonds shall be exchanged therefor and cancelled.

Section 3. Form of the Series 2013E Bonds.

3.01. Printing of Series 2013E Bonds. All of the provisions of the Series 2013E Bonds, 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. The Series 2013E Bonds shall be substantially in the form attached to this Resolution as EXHIBIT A, which form is hereby approved, with such necessary and appropriate variations, omissions and insertions (including changes to the aggregate principal amount of the Series 2013E Bonds, the stated maturity or maturities of the Series 2013E Bonds, the interest rates on the Series 2013E Bonds, the terms of redemption of the Series 2013E Bonds, and variation from City policies regarding methods of offering general obligation bonds) as the Director, Office of Financial Services, or his deputies shall determine. The execution of the

Series 2013E Bonds with the manual or facsimile signatures of the Mayor, City Clerk and Director, Office of Financial Services, or their respective designees, and the delivery of the Series 2013E Bonds by the City shall be conclusive evidence of such determination.

3.02. Approving Legal Opinion. The Director, Office of Financial Services is authorized and directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Saint Paul, Minnesota, which shall be complete except as to dating thereof and cause the opinion to accompany each Series 2013E Bond.

Section 4. Payment; Security; Pledges and Covenants.

4.01. Series 2013E Funds.

(a) Series 2013E Debt Service Fund. The Series 2013E Bonds shall be payable from the Taxable General Obligation Capital Improvement Bonds, Series 2013E Debt Service Fund (the "Series 2013E Debt Service Fund") hereby created and Series 2013E Capitalized Interest Account therein (the "Series 2013E Capitalized Interest Account"). The proceeds of the ad valorem taxes hereinafter levied as described in Section 4.03 of this Resolution authorizing the sale of the Series 2013E Bonds, are hereby pledged to the Series 2013E Debt Service Fund. If a payment of principal or interest on the Series 2013E Bonds becomes due when there is not sufficient money in the Series 2013E Debt Service Fund (including the Series 2013E Capitalized Interest Account) to pay the same, the City Treasurer will pay such principal or interest from the general fund of the City, and the general fund of the City will be reimbursed for those advances out of the proceeds of the taxes levied by this Resolution, when collected. There is appropriated to the Series 2013E Debt Service Fund: (i) the accrued interest, if any, paid by the Purchasers upon closing and delivery of the Series 2013E Bonds, (ii) any original issue premium of the Series 2013E Bonds determined by the City Treasurer to be deposited therein, and (iii) any amounts necessary to pay the interest due on the Series 2013E Bonds and the interest and principal due on the Series 2013E Bonds as determined by the Pricing Committee. There is appropriated to the Series 2013E Capitalized Interest Account: capitalized interest to be financed from Series 2013E Bond proceeds, in the amount determined by the City Treasurer. The City Treasurer is hereby authorized to transfer capitalized interest held in the Series 2013E Capitalized Interest Account to the Series 2013E Debt Service Fund as needed to pay interest on the Series 2013E Bonds.

(b) Series 2013E Project Fund. There is hereby created a special account to be designated as the "2013E Project Fund" (the "Series 2013E Project Fund"), to be held and administered by the City separate and apart from all other funds of the City. Amounts on deposit in the Series 2013E Project Fund will be used solely to defray expenses of the construction, installation, and equipping of the Ballpark. At the direction of the Director, Office of Financial Services, the proceeds of the Series 2013E Bonds deposited in the Series 2013E Project Fund may be transferred to the Disbursing Agent (as defined below) to be held and disbursed pursuant to the terms of the Master Disbursing Agreement (as defined below) along with the other sources of funding for the Ballpark. When the Ballpark is completed and the costs thereof paid, the remaining proceeds of the Series 2013E Bonds, if any, held by the Disbursing Agent that are allocable to the Series 2013E Bonds shall be transferred by the Disbursing Agent to the City. The City, at the direction of the Director, Office of Financial Services, shall transfer such amounts returned from the Disbursing Agent to the Series 2013E Debt Service Fund or utilize such amounts to fund other approved capital improvements approved by the City's Capital Improvement Budget Committee.

(c) Master Disbursing Agreement. The Mayor and Director, Office of Financial Services are hereby authorized to execute and deliver a Master Disbursing Agreement, dated on or after October 1, 2013 (the "Master Disbursing Agreement"), between the St. Paul Saints Baseball Club, Inc., a Minnesota corporation (the "Saints"), the City, the Port Authority of the City of Saint Paul (the "Port Authority"), the Minnesota Department of Management and Budget, a department of the State of Minnesota, U.S. Bank National

Association, and a disbursing agent to be designated by the City and the Port Authority (the "Disbursing Agent"). Under the terms of the Master Disbursing Agreement, the parties establish the terms, conditions, and priorities for the disbursement of the money to be applied to the acquisition, construction, and equipping of the Ballpark. All of the provisions of the Master Disbursing Agreement, 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. The Master Disbursing Agreement shall be substantially in the form on file with the City, which is hereby approved, with such necessary and appropriate variations, omissions, and insertions as do not materially change the substance thereof, or as the Mayor and Director, Office of Financial Services, in their discretion, shall determine, and the execution and delivery thereof by the Mayor and Director, Office of Financial Services shall be conclusive evidence of such determination.

(d) Use of Proceeds. On the date of issuance of the Series 2013E Bonds, the City shall:

(i) deposit to the Series 2013E Debt Service Fund: (i) any original issue premium of the Series 2013E Bonds determined by the City Treasurer to be deposited therein and (ii) the accrued interest, if any, paid by the Purchasers upon closing and delivery of the Series 2013E Bonds;

(ii) deposit to the Series 2013E Capitalized Interest Account: capitalized interest, if any, to be financed from Series 2013E Bond proceeds, in the amount determined by the City Treasurer; and

(iii) deposit the proceeds of the Series 2013E Bonds, less the deposits made in paragraphs (d)(i) and (ii) above, to the Series 2013E Project Fund and then, if necessary, the Director, Office of Financial Services is authorized to transfer such amounts to the Disbursing Agent to be disbursed pursuant to the provisions of the Master Disbursing Agreement for the acquisition, construction, and installation of the Ballpark.

(d) Allocation of Investment Earnings. Investment earnings shall be credited to the fund or account from which the investment was made.

(e) Other Accounts and Subaccounts. The Director, Office of Financial Services is hereby authorized to create such accounts or subaccounts within the Series 2013E Project Fund and the Series 2013E Debt Service Fund (and accounts therein) to properly administer such funds and accounts and to assure compliance with the preceding paragraphs, and Section 6 hereof. Specifically, the City Treasurer may create separate accounts and subaccounts to hold and apply the proceeds of the Series 2013E Bonds and revenues for the payment thereof.

4.02. Filing of Resolution. The Director, Office of Financial Services is authorized and directed to file a certified copy of this Resolution and the Certificate of Pricing Committee 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.

4.03. Pledge of Tax Levy. For the purpose of paying the principal of and interest on the Series 2013E 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 2013E Debt Service Fund above provided and shall be established by officials of the City after the award of the Series 2013E Bonds and determination of the final terms on the Series 2013E Bonds. The Tax shall be levied and collected in the years and in the amounts as set forth in the Certificate of Pricing Committee, and include the overlevy amount as required by Section 4.04 below and the Municipal Debt Act.

4.04. 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 2013E Bonds. The Tax so levied herein will be irrevocable until all of the Series 2013E Bonds are paid, provided that at the time the City makes its annual tax levies the City Clerk 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 2013E 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.

4.05. General Obligation Pledge. If amounts on deposit in the Series 2013E Debt Service Fund are not sufficient to pay principal and interest on the Series 2013E 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 2013E Debt Service Fund is ever insufficient to pay all principal and interest then due on the Series 2013E 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 2013E Debt Service Fund when a sufficient balance is available therein.

Section 5. Authentication of Transcript.

5.01. Furnishing of Documents. The officers of the City are authorized and directed to prepare and furnish to the Purchasers and to Kennedy & Graven, Chartered, as bond counsel to the City, certified copies of proceedings and records of the City relating to the Series 2013E 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 2013E Bonds, and such instruments, including any heretofore furnished, will be deemed representations of the City as to the facts stated therein.

5.02. Negotiated Sale. The City has retained Springsted Incorporated as an independent financial advisor, and the City has heretofore determined, and hereby determines, to sell the Series 2013E Bonds by private negotiation, all as provided by Section 475.60, Subdivision 2(9) of the Municipal Debt Act.

Section 6. Defeasance. When all Series 2013E Bonds and all interest thereon have been discharged as provided in this section, all pledges, covenants and other rights granted by this Resolution to the holders of the Series 2013E Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Series 2013E Bonds will remain in full force and effect. The City may discharge all Series 2013E Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment, including interest to accrue thereon to the date of payment, in full of the Series 2013E Bonds. If any Series 2013E Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date such payment is due.

Section 7. No Continuing Disclosure. Because the Series 2013E Bonds are being placed by the Placement Agent with the Purchasers, the City is not required to comply with Rule 15c2-12, promulgated by the Securities Exchange Commission under the Securities Exchange Act of 1934, as amended, and the City will not enter into a continuing disclosure undertaking with respect to the Series 2013E Bonds. The City will provide, upon request, audited financial statements of the City to the Purchasers.

Section 8. Execution of Related Documents. The Mayor, the Director, Office of Financial Services, the Director of Parks and Recreation, the City Clerk and/or their respective designees (collectively, the "City Officials"), as necessary, are authorized to execute and deliver all documents, certificates and instruments

necessary for the issuance and delivery of the Series 2013E Bonds and the construction, installation, and equipping of the Ballpark, including, but not limited to the following: (i) the Master Disbursing Agreement; (ii) a Moral Obligation Agreement, dated on or after October 1, 2013 (the "Moral Obligation Agreement"), between the City and the Port Authority; (iii) the Ballpark Use Agreement, to be dated on or after October 1, 2013 (the "Use Agreement"), by and between the City and the Saints; (iv) the Development Agreement, to be dated on or after October 1, 2013 (the "Development Agreement"), between the City and the Saints; (v) the General Obligation Bond Proceeds Grant Agreement - Construction Grant for the City of Saint Paul Regional (Lowertown) Ballpark Project under the Minnesota Business Development Capital Project Grant Program, effective as of May 12, 2012 (the "State Grant Agreement") between the City and the Minnesota Department of Employment and Economic Development ("DEED"); and (vi) a Revenue Agreement, dated on or after October 1, 2013 (the "Revenue Agreement"), by and between the City and the Port Authority. All of the provisions of the Disbursing Agreement, the Moral Obligation Agreement, the Use Agreement, the Development Agreement, the State Grant Agreement, the Revenue Agreement, and all other documents and instruments (collectively, the "Documents") necessary for the issuance of the Series 2013E Bonds and the construction, installation, and equipping of the Ballpark 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. The Documents shall be substantially in the form on file with the City, which is hereby approved, with such necessary and appropriate variations, omissions, and insertions as do not materially change the substance thereof, or as the City Officials, in their discretion, shall determine, and the execution and delivery thereof by the City Officials shall be conclusive evidence of such determination

Section 9. 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 10. 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.