



Legislation Text

File #: RES 17-1080, **Version:** 1

Authorizing loan extensions for Circus of the Star dba Circus Juventas (District 15, Ward 3).

WHEREAS, Circus of the Star, dba Circus Juventas ("Borrower") received a Neighborhood STAR loan in 1999 for an amount of \$250,000 ("Neighborhood STAR Loan"); and

WHEREAS, the Borrower received a Cultural STAR loan in 2001 for an amount of \$85,000 ("Cultural STAR Loan"); and

WHEREAS, both the Neighborhood STAR Loan and Cultural STAR Loan have been amended five times and the maturity date for each loan is April 1, 2017; and

WHEREAS, the Borrower currently leases land from the City of Saint Paul Parks Department ("Land Lease") and the Land Lease has been extended to October 31, 2021, with a 10 year option to renew; and

WHEREAS, the Borrower has requested an extension of the Maturity Date for each STAR loan to match the expiration date of the Land Lease; and

WHEREAS, the Credit Committee of the City's Department of Planning and Economic Development ("PED") has recommended approval of the extensions of the STAR loans on the terms described below in this Resolution; and

WHEREAS, the City Council finds a public purpose for the actions being taken in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Saint Paul City Council as follows:

1. Approval is hereby granted to extend the Maturity Date of the Neighborhood STAR Loan to October 31, 2021 or to such later date of October 31, 2031 if the Borrower elects to extend the Land Lease for a 10 year period. The current principal balance of the Neighborhood STAR Loan as of April 1, 2017 is \$219,822.42. Monthly payments of \$1,996.20 each are due from and after April 1, 2017 to the Maturity Date, at which time the Neighborhood STAR Loan and all accrued interest and late fees thereon shall be due and payable in full. The interest rate of 6.5% and all other terms of the Neighborhood STAR Loan shall remain the same and in full force and effect. An extension fee of \$1,099.00 is due upon execution of the sixth amendment to the Neighborhood STAR Loan.
2. Approval is hereby granted to extend the Maturity Date of the Cultural STAR Loan to October 31, 2021 or to such later date of October 31, 2031 if the Borrower elects to extend the Land Lease for a 10 year period. The current principal balance of the Cultural STAR Loan as of April 1, 2017 is \$66,257.66. Monthly payments of \$601.68 each are due from and after April 1, 2017 to the Maturity Date, at which time the Cultural STAR Loan and all accrued interest and late fees thereon shall be due and payable in full. The interest rate of 6.5% and all other terms of the Cultural STAR Loan shall remain the same and in full force and effect. An extension fee of \$331.00 is due upon execution of the sixth amendment to the Cultural STAR Loan.
3. The PED Director of City is hereby authorized and directed to negotiate and agree to the

terms of the sixth amendments to the Neighborhood STAR Loan and Cultural STAR Loan needed to effectuate this Resolution provided that such amendments are acceptable in form and substance to the Saint Paul City Attorney. The appropriate City officials are directed and authorized to execute any amendments and documents needed to implement this Resolution.

4. PED staff and legal counsel are authorized and directed to take all actions needed to implement this Resolution.