

## **Special Board and Credit Committee Meeting**

**August 20, 2024**

Board Chair Slaven and Committee Chair Mullin are calling a Special Meeting of the Credit Committee and Board of Commissioners for **Tuesday, August 20, 2024**.

The attendance of one or more of the Commissioners at the August 20, 2024, Special Meeting will be by telephone conference. Accordingly, for this Special Meeting of the Board, any person of the public may also participate by telephone conference, from a different location than the physical location of the meeting, by contacting the Saint Paul Port Authority at 651-224-5686 to obtain the conference call dial-in number.

**The Credit Committee meeting will start at 1:30 p.m., and the Board Meeting will start immediately following the Credit Committee Meeting** in the Board Room of the Saint Paul Port Authority, **400 Wabasha Street No., Suite 240, St. Paul, MN.**

### **Credit Committee**

#### **Minutes**

Approval of the Minutes from the July 23, 2024 Regular Credit Committee Meeting

#### **Conflicts of Interest**

Conflicts with any Items on the Agenda

#### **New Business**

1. Prospect Foundry, LLC – Forbearance Agreement and Three-Year Extension to Two Separate Trillion BTU Loans
2. Providing Preliminary Approval for the Issuance of Conduit Revenue Bonds for the Benefit of District Energy St. Paul, Inc.; Authorization for Applying for Tax-Exempt Financing Volume Cap Allocation; and Declaration of Intent to Reimburse Prior Expenditures From Tax Exempt Bonds
3. Authorization to Apply For and Accept Grant Funding from the Federal Railroad Administration for a Southport Terminal Grade Separation Feasibility Study
4. Preliminary Certification of Tax Levy

Such Other Business That May Come Before the Committee

**Special Board Meeting**

**Minutes**

Approval of the Minutes from the July 23, 2024 Regular Board Meeting

**Conflicts of Interest**

Conflicts with any Items on the Agenda

**New Business**

1. Swearing In of Amy Brendmoen

**Credit Committee**

1. Resolution No. 4796 - Providing Preliminary Approval for the Issuance of Conduit Revenue Bonds for the Benefit of District Energy St. Paul, Inc.; Authorization for Applying for Tax-Exempt Financing Volume Cap Allocation; and Declaration of Intent to Reimburse Prior Expenditures From Tax Exempt Bonds
2. Resolution No. 4797 - Authorization to Apply For and Accept Grant Funding From the Federal Railroad Administration for a Southport Terminal Grade Separation Feasibility Study
3. Resolution No. 4798 - Preliminary Certification of Tax Levy

Such Other Business That May Come Before the Board

cc: City Clerk  
Reporters

**CREDIT COMMITTEE MEETING**  
**JULY 23, 2024**

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The meeting of the Port Authority Credit Committee was held on July 23, 2024, at 2:05 p.m. in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street, Suite 240, Saint Paul, Minnesota, 55102.

The following Committee Members were present:

Don Mullin	Matt Slaven	John Bennett
Angela Riffe	Trinidad Uribe	

Also, present were the following:

Tonya Bauer	Rick Howden	Todd Hurley
Holly Huston	Sarah Illi	Bruce Kessel
Annamarie Kosel	Dana Krueger	Emily Lawrence
Kathryn Sarnecki	Laurie Siever	Gao lab Thao
Phoua Vang	Annie Watson	Kristine Williams
Linda Williams		

Cheniqua Johnson, City of Saint Paul  
Nneka Constantino, Merrill Lynch  
Ayesha Khan, City of Saint Paul  
Julie Fleming-Wolfe, Fleming Wolfe Law  
Johnny Opara, JO Companies  
Chris Sherman, Sherman Associates  
Dan Collison, Sherman Associates

**APPROVAL OF MINUTES**

Committee Member Bennett made a motion to approve the minutes of the June 25, 2024 regular Credit Committee meeting. The motion was seconded by Committee Member Slaven and carried unanimously.

**CONFLICTS OF INTEREST**

Committee Member Mullin stated that he would abstain from discussion and voting on agenda item No. 2.

**AGENDA ITEMS**

**AUTHORIZATION TO APPLY FOR GRANT FUNDING FOR ARTS  
AND AMENITIES AT THE HEIGHTS IN SAINT PAUL, MINNESOTA**

Ms. Watson reviewed her memorandum with the Committee requesting authorization to apply to the Metropolitan Council’s Livable Communities Demonstration Account grant program for up to \$2,000,000, and accept such funding if awarded, for arts and amenities at The Heights development in Saint Paul, Minnesota. Committee Member Bennett made a motion to approve the request. The motion was seconded by Committee Member Uribe and carried unanimously.

**AUTHORIZATION TO ISSUE A NO-AWARD DECISION AND  
RE-BID CONTRACT FOR THE CONSTRUCTION AND INSTALLATION  
OF THE BARGE TERMINAL NO. 1 – BULK SILOS, LLC BARGE RECEIVING SYSTEM**

Ms. Illi reviewed her memorandum with the Committee requesting approval for authorization to issue a no-award decision and re-bid the contract for the construction and installation of improvements relating to the Barge Terminal 1 – Bulk Silos, LLC Barge Receiving System project at property owned by the Port Authority located at 2145 Childs Road, Saint Paul, Minnesota, as further described in her memorandum. Committee Member Riffe made a motion to approve the request. The motion was seconded by Committee Member Uribe and carried unanimously, with Committee Member Mullin abstaining.

**GENERAL MATTERS**

Such Other Business That May Come Before the Committee

Ms. Huston provided the Committee with the Quarterly Report on Outside Funded PACE Loans. Chair Mullin thanked Ms. Huston for her report.

There being no further business, the meeting was adjourned at 2:32 p.m.

By: \_\_\_\_\_

Its: \_\_\_\_\_

## MEMORANDUM

**To: CREDIT COMMITTEE**

**Date:** August 20, 2024

**From: Holly Huston** 

**Subject: PROSPECT FOUNDRY, LLC – FORBEARANCE AGREEMENT AND THREE-YEAR  
EXTENSION TO TWO SEPARATE TRILLION BTU LOANS**

**Action Requested:**

Approval of a one-year forbearance agreement through September 1, 2025, and three-year extensions to two separate Trillion BTU Loans with Prospect Foundry, LLC extending the loans from September 1, 2025, to August 1, 2028.

**Background:**

In August 2016, the Credit Committee approved a \$225,000 Trillion BTU loan (the “First Loan”) to Prospect Foundry, LLC (the “Borrower”) in Minneapolis. The First Loan term is five years, and the interest rate is 4.00%. Loan proceeds from the first loan were used for energy-efficient lighting upgrades. The first loan had a one-year forbearance in 2021, and at that time the outstanding balance was \$83,907.

In July 2017, the Credit Committee approved an additional \$150,000 Trillion BTU loan (the “Second Loan”) to the Borrower. The term of the second loan is five years and the interest rate is 4.50%. Loan proceeds from the second loan were used to purchase an energy efficient dust collection system. The second loan had a one-year forbearance in 2021, and at that time the outstanding balance was \$81,697.

Once the 2021 forbearances expired, the Borrower started making payments inconsistently. The last payment was in April of 2023. The Port Authority was contacted by the Borrower in August of 2023 asking for an additional forbearance agreement due to financial hardship. The Borrower had a devastating fire in 2019, its line of credit was called back in the fall of 2023, it temporarily closed in November and December of 2023, and it had increased unexpected costs to meet EPA requirements to remain open. The Borrower is determined to succeed and claw its way back into a profitable status but is currently operating in a deficit.

The current outstanding balance on the first loan is \$56,956 plus accrued interest of \$3,046 for a total of \$60,002; and the current outstanding balance on the second loan is \$56,065 plus accrued interest of \$3,373 for a total of \$59,438.

**Proposal:**

The forbearance will be effective through September 1, 2025, and both Loans will be extended for three years each from September 1, 2025 to August 1, 2028. Interest will accrue during the year of forbearance and the accrued interest will be added to the outstanding principal amount of each Loan, as shown in the table below.

**MEMORANDUM**

	<b>Interest Rate</b>	<b>Principal</b>	<b>Accrued Interest 2023 – 8/31/2024</b>	<b>Sub-Total</b>	<b>Accrued Interest during Forbearance</b>	<b>Total Principal Balance as of Sept. 1, 2025</b>
<b>Loan 1</b>	<b>4.0%</b>	\$56,956	\$3,046	\$60,002	\$2,400	\$62,402
<b>Loan 2</b>	<b>4.5%</b>	\$56,065	\$3,373	\$59,438	\$2,674	\$62,112

The VP of Finance will periodically check in with the organization before the forbearance expires.

**Recommendation:**

We recommend approval of a one-year forbearance agreement through September 1, 2025, and three-year extensions, extending the Loans from September 1, 2025, to August 1, 2028.

**To:** CREDIT COMMITTEE  
BOARD OF COMMISSIONERS

**Meeting Date:** August 20, 2024

**From:** Holly Huston 

**Subject: PROVIDING PRELIMINARY APPROVAL FOR THE ISSUANCE OF CONDUIT REVENUE BONDS FOR THE BENEFIT OF DISTRICT ENERGY ST. PAUL, INC.; AUTHORIZATION FOR APPLYING FOR TAX-EXEMPT FINANCING VOLUME CAP ALLOCATION; AND DECLARATION OF INTENT TO REIMBURSE PRIOR EXPENDITURES FROM TAX-EXEMPT BONDS  
RESOLUTION NO. 4796**

**Action Requested:**

Provide preliminary approval for the Port Authority of Saint Paul (“Port Authority”): (1) to issue conduit revenue bonds, in a principal amount up to \$12,000,000 (the “Bonds”) on behalf of District Energy St. Paul, Inc. and DE Energy Park (collectively, the “Company”) to finance certain original expenditures for the construction of a new heating and/or chilling plant to be constructed and equipped in the City of Saint Paul; (2) to apply for an allocation of bonding authority from the Minnesota Management and Budget, Treasury Division (“MMB”) for Section 142 exempt facility bonds; and (3) to declare its intent to reimburse prior expenditures.

**Public Purpose:**

The conduit revenue bond financing will enable the Company to construct a new heating and/or chilling plant (the “Project”) in the City of Saint Paul (the “City”), to expand the production and distribution system, including costs to connect new customers and expand the existing system infrastructure to add capacity to such system.

Further, by issuing the Bonds, the Port Authority is able to facilitate the development of the City, retain and improve its tax base, and help to provide services and employment opportunities. The Project financed by revenue bonds will also result in employment opportunities and expanded services.

**Background:**

The Company is a 501(c)(3) non-profit company that provides energy services to 200 buildings with nearly 32 million square feet in downtown Saint Paul. It has been operating since 1983 and continues to steadily grow.

The State of Minnesota has a tax-exempt bond pool (the “Pool”) managed by MMB. There is a statewide cap on the amount of tax-exempt bonds that may be funded annually, and the Pool allows municipalities to apply for an allocation of tax-exempt bonds. This Pool has been established to finance public utility projects throughout the state and is similar to the Small Issue Pool that the Port Authority utilizes to finance small manufacturing projects.

Once the application is submitted, a public hearing for the financing is required and planned for the September Board Meeting.

**Proposal:**

The Company has requested that the Port Authority apply for an allocation of tax-exempt bonding authority from the Pool, which is administered by MMB.

Approval of this resolution and authorization to make an application for allocation of bonding authority will ensure that any upcoming expenses that the Company may incur will be considered eligible expenses under the tax-exempt financing law. The authorization to make an application will allow the Port Authority to apply for an allocation of bonding authority from the State of Minnesota. District Energy will pay the application fee, in advance of submitting the application.

This preliminary approval expresses the intention of the Port Authority to issue conduit revenue bonds for this Project, identifies the proposed Project, and discloses the proposed amount of the Bonds. Once the application is complete and the Company determines the specifics of its Project, it will be required to provide additional information to the Port Authority's Credit Committee and Board for consideration before the final approval of the bond issue.

Finally, for any portion of the Project to proceed on a tax-exempt revenue bond basis, the Company, through the Port Authority, must obtain an allocation of bonding authority from MMB, as described above.

**Policy Exceptions:**

None.

**Recommendation:**

We recommend preliminary approval for the Port Authority (1) to issue the Bonds on behalf of the Company to finance the Project; (2) to apply for an allocation of bonding authority from MMB for Section 142 exempt facility bonds; and (3) declare its intent to reimburse prior expenditures.



**RESOLUTION OF THE  
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

**PROVIDING PRELIMINARY APPROVAL FOR THE ISSUANCE OF CONDUIT REVENUE BONDS FOR THE BENEFIT OF DISTRICT ENERGY ST. PAUL, INC.; AUTHORIZATION FOR APPLYING FOR TAX-EXEMPT FINANCING VOLUME CAP ALLOCATION; AND DECLARATION OF INTENT TO REIMBURSE PRIOR EXPENDITURES FROM TAX-EXEMPT BONDS**

WHEREAS, the Port Authority of the City of Saint Paul, Minnesota (the "Port Authority") has received a request from District Energy St. Paul, Inc. and DE Energy Park (hereinafter referred to collectively, as "Company") that the Port Authority consider the issuance of its conduit revenue bonds (which may be in the form of one or more notes, the "Bonds") to finance to pay certain original expenditures for the construction of a new heating and/or chilling plant to be constructed and equipped in the City of Saint Paul in order to expand the production and distribution system including costs to connect new customers and expand the existing system infrastructure to add capacity to the system (the "Project").

WHEREAS, the Port Authority desires to facilitate the selective development of the City of Saint Paul and the metro east community, to retain and improve its tax base and to help it provide the range of services and employment opportunities required by its population, and said Project will assist in achieving that objective by increasing the assessed valuation of the metro east community; helping to maintain a positive relationship between assessed valuation and debt; and enhancing the image and reputation of the metro east community.

WHEREAS, the Project to be financed by revenue bonds will result in additional employment opportunities in the City of Saint Paul and the metro east community.

WHEREAS, the Port Authority has been advised by representatives of the Company that the Company has been acting to date in anticipation that the Port Authority would favorably consider this financing proposal.

WHEREAS, in order for the Bonds to be issued as tax-exempt bonds, the Port Authority must receive an allocation of volume cap authority under the provisions of Minnesota Statutes, Chapter 474A, as amended (the "Allocation Act") from Minnesota Management and Budget ("MMB") and the Port Authority and the Company may make an application MMB for allocation after the passage of a preliminary resolution such as this resolution.

WHEREAS, pursuant to Section 469.154, subdivision 4, of the Act, prior to submitting an application to the Minnesota Department of Employment and Economic Development ("DEED") for approval of the Project, the Board of Commissioners of the Port Authority must conduct a public hearing on the proposal to undertake and finance the Project.

WHEREAS, such notice must state that a draft copy of the proposed application to DEED, together with all attachments and exhibits, will be available for public inspection following the publication of the notice and must specify the place and times where and when it will be so available.

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and Minnesota Statutes, Sections 469.152 to 469.1655 (the "Act") requires that prior to the issuance of the Bonds, this Board of Commissioners approve the Bonds after conducting a public hearing thereon preceded by publication of a notice of public hearing (in the form required by Section 147(f) of the Code and applicable regulations) in a newspaper of general circulation at least 14 days prior to the public hearing date and the conduit revenue bonds may not be issued as tax-exempt bonds unless a public hearing is held.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Port Authority of the City of Saint Paul, Minnesota as follows:

1. On the basis of information available to the Port Authority it appears, and the Port Authority hereby finds, that: said Project constitutes properties, used or useful in connection with one or more revenue producing enterprises engaged in any business within the meaning of the Act; the Project furthers the purposes stated in the Act; and it is in the best interests of the port district and the people of the City of Saint Paul and metro east community and in furtherance of the general plan of development to assist the Company in financing the Project.

2. The Port Authority hereby indicates its intention to issue the Bonds in one or more series, in a principal amount up to \$12,000,000 in order to provide funds to the Company to (i) finance the Project, (ii) fund necessary reserves, (iii) fund capitalized interest, if necessary, and (iv) provided that the Port Authority, the Company and the purchaser of the revenue bonds are able to reach agreement as to the details of the revenue agreement and other documents necessary to evidence and effect the financing of the Project and the issuance of the Bonds, and further provided that the Project and its financing receive approval by DEED and an allocation of any bonding authority necessary for the tax-exempt bonds from MMB.

3. In consultation with Company staff, the staff of the Port Authority is authorized to prepare, execute and submit the application(s) for allocation of bonding authority administered by MMB, as needed to MMB, for up to \$12,000,000 in principal amount of Bonds, and to continue negotiations with the Company on the preparation of the revenue agreement and other documents necessary to the approval by the Port Authority of the proposed revenue bond financing.

4. The Port Authority authorizes staff, in consultation with the Company, to publish a notice of public hearing on the Bonds and the Project and authorizes the publication thereof calling for a public hearing at the Port Authority's September 2024 board meeting or such other date as deemed appropriate.

5. If issued, the Bonds (including any interim note or notes) and interest thereon shall not constitute an indebtedness of the Port Authority or the City of Saint Paul within the meaning of any constitutional or statutory limitation and shall not constitute or give rise to a pecuniary liability of the Port Authority or the City of Saint Paul or a charge against their general credit or taxing powers and neither the full faith and credit nor the taxing powers of the Port Authority or the City of Saint Paul is pledged for the payment of the Bonds (and interim note or notes) or interest thereon.

6. Approval of this resolution is not a commitment from the Port Authority, and final approval of the Project, and the issuance of the Bonds to finance the Project, is subject to further review by the Port Authority following submission of a full application by the Company and satisfaction of the conditions and approvals described in paragraph 2, above.

7. The Company intends to make expenditures for the capital Project financed by the obligations and reimburse such expenditures from the proceeds of the obligations in 2024 or 2025. This resolution is intended to constitute a declaration of the Port Authority's official intent, within the meaning of Treasury Regulations, Section 1.148-1(b), with respect to certain original expenditures made from any sources other than the proceeds of the obligations, in conjunction with the capital Project financed thereby for the Project.

8. This Resolution has been adopted not later than sixty (60) days after payment of any original expenditure for the Project to be subject to a reimbursement allocation with respect to the proceeds of the Bonds.

9. All reimbursement allocations with respect to the Bonds will be made not later than eighteen (18) months after the later of: (i) the date the original expenditure is paid; or (ii) the date the Project is placed in service or abandoned, but in no event more than three (3) years after an original expenditure is paid for the Project.

10. All original expenditures to which reimbursement allocations are to be made constitute: (i) capital expenditures; (ii) costs of issuance of the Bonds; (iii) expenditures for extraordinary, nonrecurring items that are not customarily payable from current revenues, such as casualty losses or extraordinary legal judgments in amounts in excess of reasonable insurance coverage, and for which no reserve is maintained; or (iv) a grant (as defined in Treasury Regulations, Section 1.148-6(d)(4), as a transfer for a governmental purpose of money or property to a transferee that is not a related party to or an agent of the transferor with respect to which no obligation or condition is imposed to directly or indirectly repay any amount to the transferor).

11. The limitations set forth in paragraphs 8 and 9 of this Resolution do not apply to: (i) the costs of issuance of the Bonds; (ii) an amount not in excess of the lesser of \$100,000 or five percent (5%) of the proceeds of the Bonds; or (iii) preliminary expenditures up to an amount not in excess of twenty percent (20%) of the aggregate issue price of the Bonds that finance or are reasonably expected by the Port Authority to finance the Project for which the preliminary expenditures were incurred. The term "preliminary expenditures" includes engineering, surveying, soil testing, reimbursement bond issuance, and similar costs that are incurred prior to commencement of construction or rehabilitation of the Project.

12. This Resolution is an expression of the reasonable expectations of the Port Authority based on the facts and circumstances known to the Port Authority as of the date hereof. The anticipated original expenditures for the Project are consistent with the Port Authority's budgetary and financial circumstances. No sources other than proceeds of Bonds to be issued by the Port Authority are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the Port Authority's budget or financial policies to pay such expenditures for the Project.

13. No reimbursement allocation of the proceeds of the Bonds to expenditures for the Project will employ an abusive arbitrage device (within the meaning of Treasury Regulations, Section 1.148-10) to avoid the arbitrage restrictions or to avoid the restrictions of Sections 141 through 150 of the Code.

14. The Authority's adoption of this resolution does not obligate the Authority, directly or indirectly, to issue the Bonds in the future.

Adopted: August 20, 2024

PORT AUTHORITY OF THE CITY OF SAINT PAUL

By: \_\_\_\_\_  
Its: Chair

ATTEST:

By: \_\_\_\_\_  
Its: Secretary

DMFIRM #413354471 v4

## MEMORANDUM

**To:** CREDIT COMMITTEE  
BOARD OF COMMISSIONERS

**Meeting Date:** August 20, 2024

**From:** Rick W. Howden



**Subject: AUTHORIZATION TO APPLY FOR AND ACCEPT GRANT FUNDING FROM THE  
FEDERAL RAILROAD ADMINISTRATION FOR A SOUTHPORT TERMINAL GRADE  
SEPARATION FEASIBILITY STUDY  
RESOLUTION NO. 4797**

**Action Requested:**

The Port Authority of the City of Saint Paul (the “Port Authority”) seeks authorization to apply for and accept funding from the Federal Railroad Administration’s (“FRA”) Railroad Crossing Elimination Grant Program for up to \$800,000 for a Southport Terminal Grade Separation Feasibility Study (the “Feasibility Study”).

**Project Background:**

The Southport Terminal is located on Barge Channel Road, near the intersection of Minnesota Highway 156 (Concord Avenue) and US Highway 52, in Saint Paul. The Southport Terminal supports freight movement by barge, rail, and truck, and it is a critical link in the region’s freight network that provides first/last mile connectivity to the Mississippi River (Marine Highway M-35), Class I railroads, and the National Highway System and enables Minnesota industries to compete in worldwide markets.

Barge Channel Road is the only road that serves the Southport Terminal. An existing at-grade railroad crossing within the Southport Terminal frequently blocks traffic in and out of the terminal and creates backups on Concord Ave and near the interchange at Highway 52. These blockages/backups impact business operations and also contribute to public health and safety concerns within the terminal and the surrounding residential neighborhood related to increased air emissions from idling vehicles and increased emergency response times.

The proposed Feasibility Study will advance planning efforts to improve these conditions by building on the 2017 Southport Industrial District Study, the 2019 Port Optimization Model, and a 2021 Traffic Study Report and Railroad Crossing Analysis. The Feasibility Study will include engineering and environmental analyses as well as community engagement with Union Pacific Railroad, the West Side Community Organization, and other public/private stakeholders

**Proposed Grant Funding**

On July 10, 2024, a Notice of Funding Opportunity for the Railroad Crossing Elimination Grant Program (the “Program”) was released. The Program is administered by the FRA with funds made available by the Infrastructure Investment and Jobs Act (IIJA). This Program provides funding to

## MEMORANDUM

improve the safety and mobility of people and goods affected by current at-grade rail crossings. Eligible projects include capital improvements projects such as grade separations/closures/relocations, protective devices, technological solutions, or other safety measures, and planning projects such as the proposed Feasibility Study for the Southport Terminal.

The total estimated cost of the Feasibility Study is projected to be approximately \$1,000,000. The Program can provide funds for up to 80 percent of total eligible project costs (\$800,000) and the remaining amount (\$200,000) would be provided by the Port Authority.

The Port Authority plans to submit an application to the FRA by September 23, 2024. Award announcements are expected by December 2024.

**Recommendation:**

We recommend approval of a resolution authorizing the Port Authority to apply for and accept funding from the Program for up to \$800,000 for the Feasibility Study.

Attachments: Resolution

**RESOLUTION OF THE  
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

**[AUTHORIZATION TO APPLY FOR AND ACCEPT GRANT FUNDING FROM THE  
FEDERAL RAILROAD ADMINISTRATION FOR A SOUTHPORT TERMINAL GRADE  
SEPARATION FEASIBILITY STUDY]**

WHEREAS, the Port Authority of the City of Saint Paul (the "Port Authority") is a public body corporate and politic and governmental subdivision organized pursuant to Chapter 469 of Minnesota Statutes;

WHEREAS, the district of the Port Authority is the City of Saint Paul;

WHEREAS, under Minn. Stat. § 469.055, the Port Authority shall (1) promote the general welfare of the port district, and of the port as a whole; (2) try to increase the volume of the port's commerce; (3) promote the efficient, safe, and economical handling of the commerce; and (4) provide or promote adequate docks, railroad and terminal facilities open to all on reasonable and equal terms for the handling, storage, care, and shipment of freight and passengers to, from, and through the port;

WHEREAS, under Minn. Stat. §§ 469.048 to 469.061, the Port Authority has the powers and duties conferred upon all port authorities;

WHEREAS, under Minn. Stat. § 469.084, Subds. 1 to 15, the Port Authority of the City of Saint Paul has additional statutory duties and powers including powers related to recreational facilities and small business capital;

WHEREAS, under Minn. Stat. § 469.084, Subd. 8, the Port Authority , furthermore, has the power of and is authorized to do what a redevelopment agency may do or must do under sections 469.152 to 469.165 (Municipal Industrial Development);

WHEREAS, the Port Authority operates its Southport Terminal located on Barge Channel Road, near the intersection of Concord Avenue and US Highway 52 in Saint Paul, Minnesota ("Southport");

WHEREAS, the Port Authority desires to advance planning and feasibility study efforts to eliminate the at-grade railroad crossing at Southport in order to enhance safety, reliability, and critical connections at the site (the "Project");

WHEREAS, the Port Authority desires to submit an application to the Federal Railroad Administration's ("FRA") Railroad Crossing Elimination Grant Program (the "Program"), which provides funding for at-grade crossing improvement projects that focus on improving the safety and mobility of people and goods, for up to Eight

Hundred Thousand Dollars (\$800,000.00) (the "Grant") to fund the Project;

WHEREAS, The Port Authority is committed to providing matching funds to this Grant request in the amount of Two Hundred Thousand Dollars (\$200,000.00) (the "Matching Fund Requirement"); and

WHEREAS, the Port Authority represents that it has undertaken and will undertake reasonable and good faith efforts to procure funding in pursuit of its mission from other sources in addition to grant, loan, or other program resources to which it may seek assistance.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL: That the President is hereby authorized to apply to, and accept from, if awarded, the Grant from the FRA's Program to fund the Project; and

BE IT FURTHER RESOLVED, that the President or anyone acting under his direction is hereby authorized and directed to execute any and all necessary documents and take any and all necessary actions to complete the grant application and secure its receipt, including but not limited to the expenditure of the Matching Fund Requirement.

Adopted: August 20, 2024

PORT AUTHORITY OF THE CITY OF  
SAINT PAUL

By \_\_\_\_\_  
Its Chair

ATTEST:

By \_\_\_\_\_  
Its Secretary



## MEMORANDUM

**To:** CREDIT COMMITTEE  
BOARD OF COMMISSIONERS

**Meeting Date:** August 20, 2024

**From:** Todd Hurley 

**Subject: PRELIMINARY CERTIFICATION OF TAX LEVY  
RESOLUTION NO. 4798**

**Action Requested:**

Approval of the preliminary Truth in Taxation Certification.

**Background:**

Minnesota Truth in Taxation Law provides that special taxing districts including port authorities, counties, municipalities, and school districts must certify to the County Auditor, by the 30<sup>th</sup> of September of each year, the proposed tax levy for taxes levied in the subsequent calendar year.

The recommended tax levy payable in 2025 is:

1. General Obligation Bond Debt Service	\$5,527,366
2. Mandatory Levy pursuant to Minnesota Statutes Section 469.053, Subdivision 4, at a rate not to exceed .01813% of market value	\$2,796,700
3. Discretionary Levy pursuant to Minnesota Statutes Section 469.053, Subdivision 6. Pledged to industrial redevelopment.	<u>\$ 105,000</u>
<b>TOTAL TAX LEVY PAYABLE IN 2025</b>	<b><u>\$8,429,066</u></b>

**Recommendation:**

We recommend approval of the preliminary Truth in Taxation Certification.

**Attachments:** Comparison of Tax Levy  
Resolution

**PORT AUTHORITY OF THE CITY OF SAINT PAUL  
COMPARISON OF TAX LEVY**

**TAX PAYABLE YEAR / *LEVY YEAR***

	<b><u>2025/2024</u></b>	<b><u>2024/2023</u></b>	<b><u>2023/2022</u></b>
G.O. Bonds	\$5,527,366	\$5,526,343	\$5,527,399
Mandatory Levy	2,796,700	2, 671,700	2, 506,700
Discretionary Levy	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>
<b>TOTAL</b>	<b>\$ 8,429,066</b>	<b>\$ 8,303,043</b>	<b>\$ 8,139,099</b>

**RESOLUTION OF THE  
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

**[PRELIMINARY CERTIFICATION OF TAX LEVY]**

WHEREAS, pursuant to Minnesota Statutes Section 275.065, all taxing districts are required to certify the preliminary levy they may impose for the current tax year payable in 2025 prior to September 30, 2024.

NOW THEREFORE, BE IT RESOLVED, that the Port Authority adopts the following as its maximum tax levy for taxes payable in 2025 as follows:

1.	General Obligation Bond Debt Service:	\$5,527,366
2.	Mandatory Levy pursuant to Minnesota Statutes Section 469.053, Subdivision 4, at a rate not to exceed .01813% of market value:	\$2,796,700
3.	Discretionary Levy pursuant to Minnesota Statutes Section 469.053, Subdivision 6, pledged to industrial redevelopment:	<u>\$ 105,000</u>
	TOTAL 2025 TAX LEVY	<u>\$8,429,066</u>

Adopted: August 20, 2024

PORT AUTHORITY OF THE CITY OF  
SAINT PAUL

By \_\_\_\_\_  
Its Chair

ATTEST:

By \_\_\_\_\_  
Its Secretary

**REGULAR BOARD MEETING  
JULY 23, 2024**

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The meeting of the Port Authority Board was held on July 23, 2024, at 2:33 p.m. in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street, Suite 240, Saint Paul, Minnesota, 55102.

The following Board Members were present:

Don Mullin	Matt Slaven	John Bennett
Nneka Constantino	Cheniqua Johnson	

Also, present were the following:

Jan Almquist	Tonya Bauer	Rick Howden
Todd Hurley	Holly Huston	Sarah Illi
Bruce Kessel	Annamarie Kosel	Dana Krueger
Emily Lawrence	Kathryn Sarnecki	Laurie Siever
Gao lab Thao	Phoua Vang	Annie Watson
Kristine Williams	Linda Williams	

Angela Riffe, City of Saint Paul

Trinidad Uribe, Sprinkler Fitters Local 417

Ayesha Khan, City of Saint Paul

Julie Fleming-Wolfe, Fleming Wolfe Law

Johnny Opara, JO Companies

Chris Sherman, Sherman Associates

Dan Collison, Sherman Associates

**APPROVAL OF MINUTES**

Commissioner Mullin made a motion to approve the minutes of the June 25, 2024 regular Board meeting. The motion was seconded by Commissioner Constantino and carried unanimously.

**CONFLICTS OF INTEREST**

Commissioner Mullin stated that he would abstain from discussion and voting on Resolution 4793.

**CREDIT COMMITTEE**

**RESOLUTION NO. 4792**  
**AUTHORIZATION TO APPLY FOR GRANT FUNDING FOR**  
**ARTS AND AMENITIES AT THE HEIGHTS IN SAINT PAUL, MINNESOTA**

Motion was made by Commissioner Mullin to approve Resolution No. 4792, which was reviewed by the Credit Committee and recommended for approval by the Board. The motion was seconded by Commissioner Johnson and carried unanimously.

**RESOLUTION NO. 4793**  
**AUTHORIZATION TO ISSUE A NO-AWARD DECISION AND**  
**RE-BID CONTRACT FOR THE CONSTRUCTION AND INSTALLATION**  
**OF THE BARGE TERMINAL 1 – BULK SILOS, LLC BARGE RECEIVING SYSTEM**

Motion was made by Chair Slaven to approve Resolution No. 4793, which was reviewed by the Credit Committee and recommended for approval by the Board. The motion was seconded by Commissioner Constantino and carried unanimously, with Commissioner Mullin abstaining.

**GENERAL MATTERS**

Such Other Business That May Come Before the Board

**THE HEIGHTS HOUSING PARTNERS CONSTRUCTION UPDATE**

Messrs. Chris Sherman and Johnny Opara presented and discussed with the Board a high-level report on the vision for housing at The Heights.

**RESOLUTION NO. 4794**  
**RECOGNITION OF COMMISSIONER CONSTANTINO'S SERVICE**

Mr. Hurley read Resolution No. 4794 honoring Commissioner Constantino for her eighteen years of service on the Port Authority's Board of Commissioners.

Chair Slaven made a motion to approve Resolution No. 4794. The motion was seconded by Commissioner Mullin and carried unanimously.

**RESOLUTION NO. 4795**  
**RECOGNITION OF COMMISSIONER BENNETT'S SERVICE**

Mr. Hurley read Resolution No. 4795 honoring Commissioner Bennett for his fifteen years of service on the Board of Commissioners.

Chair Slaven made a motion to approve Resolution No. 4795. The motion was seconded by Commissioner Mullin and carried unanimously.

Chair Slaven made a motion to close the meeting pursuant to Minnesota Statutes Section 13D.05, subdivision 3(b) and pursuant to the attorney-client privilege, for a closed-door Executive Session for discussion with the attorney representing the Port Authority relating to threatened litigation. The motion was seconded by Commissioner Mullin and carried unanimously. The Board remained in closed session with counsel for the remainder of the meeting.

There being no further business, the meeting was adjourned at 4:25 p.m.

By: \_\_\_\_\_

Its: \_\_\_\_\_