

**Credit Committee
Regular Board Meeting
September 24, 2024**

Board Chair Slaven and Committee Chair Mullin are calling a meeting of the Credit Committee and Board of Commissioners for **Tuesday, September 24, 2024**.

The Credit Committee meeting will start at 1:45 p.m., and the Board Meeting will start at 2:00 p.m. 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 August 20, 2024 Special Credit Committee Meeting

Conflicts of Interest

Conflicts with any Items on the Agenda

New Business

1. Conveyance of Land to PPL East 7th, LLC - Approval of Amendment to Purchase Agreement – Beacon Bluff Business Center P6 – Parcel ID 28.29.22.33.0062
2. Approval of the Issuance of up to \$35,000,000 of Conduit Revenue Bonds by the Port Authority of the City of Saint Paul for the Benefit of District Energy St. Paul, Inc.
3. Larry and Ruth Coffing Trust PACE Application - Approval of a \$100,070 PACE Trillion BTU Loan
4. Authorization to Apply for and Accept Grant Funds from Ramsey County Critical Corridor Grant Program (Phase 2) for Site Infrastructure at The Heights in Saint Paul, Minnesota

Such Other Business That May Come Before the Committee

Board Meeting

Minutes

Approval of the Minutes from the August 20, 2024 Special Board Meeting

Conflicts of Interest

Conflicts with any Items on the Agenda

Administration

1. Oath of Office – Courtney Henry

New Business

Credit Committee

1. Resolution No. 4799 - Public Hearing - Conveyance of Land to PPL East 7th, LLC – Approval of Amendment to Purchase Agreement – Beacon Bluff Business Center P6 - Parcel ID 28.29.22.33.0062
2. Resolution No. 4800 - Public Hearing - Approval of the Issuance of up to \$35,000,000 of Conduit Revenue Bonds by the Port Authority of the City of Saint Paul for the Benefit of District Energy St. Paul, Inc.
3. Resolution No. 4801 - Authorization to Apply for and Accept Grant Funds from Ramsey County Critical Corridor Grant Program (Phase 2) for Site Infrastructure at The Heights in Saint Paul, Minnesota

Such Other Business That May Come Before the Board

1. At-Large Credit Committee Recommendation
2. 2024 Work Plan Update

cc: City Clerk
Reporters

**SPECIAL CREDIT COMMITTEE MEETING
AUGUST 20, 2024**

The special meeting of the Port Authority Credit Committee was held on August 20, 2024, at 1:35 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 Marshall
Angela Riffe	Trinidad Uribe *	

Also, present were the following:

Tonya Bauer	Amanda Burns*	Todd Hurley
Holly Huston	Sarah Illi	Bruce Kessel
Annamarie Kosel	Dana Krueger	Emily Lawrence
Kathryn Sarnecki	Laurie Siever *	Michael Solomon
Gao lab Thao	Nikki Tix *	Phoua Vang
Annie Watson	Kristine Williams	Linda Williams
JP Yohannes		
Cheniqua Johnson, City of Saint Paul *		
Ayesha Khan, City of Saint Paul		
Ilwad Hassan, Development Intern		
Andrew Kasid, Ever-Green Energy		

* Attended via Teams

APPROVAL OF MINUTES

Committee Member Riffe made a motion to approve the minutes of the July 23, 2024 regular Credit Committee meeting. The motion was seconded by Committee Member Slaven, submitted to a roll call vote, and carried unanimously.

CONFLICTS OF INTEREST

There were no conflicts of interest with any items on the agenda.

AGENDA ITEMS

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

Ms. Huston reviewed her memorandum with the Committee seeking approval for a one-year forbearance through September 1, 2025, and three-year extension of the loan terms, extending the

loan maturity dates from September 1, 2025 to August 1, 2028, for two separate Trillion BTU Loans with Prospect Foundry, LLC. Committee Member Slaven made a motion to approve the request. The motion was seconded by Committee Member Marshall, submitted to a roll call vote, and carried unanimously.

**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**

Ms. Huston reviewed her memorandum with the Committee requesting 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. Committee Member Riffe made a motion to approve the request. The motion was seconded by Committee Member Marshall, submitted to a roll call vote, and carried unanimously.

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

Ms. Illi reviewed Mr. Howden’s memorandum with the Committee requesting authorization to apply for and accept funding from the Federal Railroad Administration’s Railroad Crossing Elimination Grant Program for up to \$800,000 for a Southport Terminal grade separation feasibility study. Committee Member Riffe made a motion to approve the request. The motion was seconded by Committee Member Slaven, submitted to a roll call vote, and carried unanimously.

PRELIMINARY CERTIFICATION OF TAX LEVY

Mr. Solomon reviewed Mr. Hurley’s memorandum with the Committee requesting approval of the preliminary Truth in Taxation Certification. Committee Member Riffe made a motion to approve the request. The motion was seconded by Committee Member Marshall, submitted to a roll call vote, and carried unanimously.


There being no further business, the meeting was adjourned at 1:58 p.m.

By: _____

Its: _____

To: CREDIT COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: September 24, 2024

From: Tonya K. Bauer 

Subject: Credit Committee
CONVEYANCE OF LAND TO PPL EAST 7th, LLC - APPROVAL OF AMENDMENT TO PURCHASE AGREEMENT - BEACON BLUFF BUSINESS CENTER P6
Parcel ID 28.29.22.33.0062

Board of Commissioners
PUBLIC HEARING - CONVEYANCE OF LAND TO PPL EAST 7th, LLC - APPROVAL OF AMENDMENT TO PURCHASE AGREEMENT - BEACON BLUFF BUSINESS CENTER P6
– Parcel ID 28.29.22.33.0062

RESOLUTION NO. 4799

Action Requested:

Approval of an Amendment to the Purchase Agreement for the conveyance of a 2.21-acre parcel of land at Beacon Bluff Business Center to PPL East 7th LLC (“PPL”) to modify the proposed use of the Property.

Background:

In April 2022 the Saint Paul Port Authority (“Port Authority”) Board of Commissioners held a Public Hearing and, via Resolution No. 4717, approved a Purchase Agreement (the “Purchase Agreement”) for a market rate sale of a 2.21-acre parcel located in the Port Authority’s Beacon Bluff Business Center identified as Parcel ID 282922330062 (the “Property”) to PPL.

PPL is a subsidiary of Project for Pride in Living, a nonprofit organization based in Minneapolis, working to empower low-income people to become self-reliant through a myriad of services including housing, employment training, support services, and education. PPL has successfully built and manages more than 1,599 units of safe, quality affordable housing throughout the Twin Cities.

The Purchase Agreement requires that the Property be used for a mixed-use development, comprising of approximately 100,000 square feet of affordable housing with around 63 multi-generational units owned and managed by PPL and approximately 30,000 square feet of ground-level commercial and retail space, which was to be developed, owned, and managed by PPL’s project partner, Soul Community Development, LLC (“Soul”).

MEMORANDUM

Since 2022, PPL has diligently advanced the project, engaging with the community, finalizing design, permitting, and securing necessary financing. By early August 2024, PPL had completed the Port's Green Building Design Review process and was on track to close on the acquisition and financing to break ground fall 2024.

Current Status:

In late August 2024, the Port Authority was informed of the unexpected death of a partner and co-founder of Soul, which has necessitated Soul's withdrawal from the project. This has significantly impacted PPL's overall financing and ability to deliver the retail/commercial component of the project. Faced with this challenge, PPL has been working with all stakeholders to pivot from a mixed-use project to a housing-only project.

Given the changes to the project's intended use, we are requesting approval for an amendment to the Purchase Agreement. All other terms of the original Purchase Agreement will remain unchanged, aside from this adjustment to the project scope.

Development Officer's Comments:

It is important to note that time is of the essence, approximately \$3.4 million of PPL's project funding is tied to 2023 tax credits requiring the project to be in service by the end of year 2025. Unfortunately, the constraints on timing and funding have made it impractical for PPL to find an alternative commercial development partner within the required timeframe. Recognizing the urgency, PPL has been diligently working with all stakeholders—including the Port Authority, the City of Saint Paul, and their funders—to shift from a mixed-use project to a housing-only project in order to move forward effectively.

The need for quality, affordable housing is particularly pressing on Saint Paul's East Side. This project is purposefully designed to provide larger living spaces that accommodate diverse family structures, including multi-generational households. Given PPL's proven track record and dedication to the community, we believe this project will be an asset and continue to fully support its advancement.

Recommendation:

We recommend approval of an Amendment to the Purchase Agreement for the conveyance of the Property to PPL to modify the proposed use of the Property.

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

**[PUBLIC HEARING – CONVEYANCE OF LAND TO
PPL EAST 7TH, LLC - APPROVAL OF AMENDMENT TO PURCHASE AGREEMENT
BEACON BLUFF BUSINESS CENTER P6]**

WHEREAS, on April 26, 2022, the Port Authority of the City of Saint Paul (the "Port Authority") adopted Resolution Number 4717, after holding a duly noticed and held public hearing, approving the conveyance of real estate owned by the Port Authority, legally described as Lot 1, Block 1, Beacon Bluff Business Center, according to the recorded plat thereof, Ramsey County, Minnesota ("Property"), located at the Port Authority's Beacon Bluff Business Center, to PPL East 7th, LLC ("Buyer"), a subsidiary of Project for Pride in Living.

WHEREAS, subsequent to such approval, the Port Authority and Buyer entered into a Purchase Agreement for the conveyance of the Property (the "Purchase Agreement").

WHEREAS, the Buyer's plans for the development of the Property have now changed, as further described in the staff memorandum presented to the Board of Commissioners ("Board"), such that the Purchase Agreement for the conveyance of the Property needs to be amended to reflect the new intended use of the Property ("Amendment").

WHEREAS, the Port Authority of the City of Saint Paul (the "Port Authority"), pursuant to Minnesota Statutes, Section 469.065, did place a notice, a copy of which with proof of publication is on file in the office of the Port Authority, of a public hearing on the proposed conveyance of property owned by the Port Authority in a legal newspaper, said hearing to be held to determine whether it is in the best interests of the port district of Saint Paul and the people thereof and in furtherance of the general plan of port improvement and industrial development to convey the Property to Buyer.

WHEREAS, the Port Authority did conduct a public hearing pursuant to said notice on September 24, 2024, at which hearing all taxpayers in the port district, both for and against the conveyance and the Amendment, were allowed to state their views.

WHEREAS, it is in the best interests of the port district and the people thereof, and in furtherance of the general plan of port improvement and industrial development, to approve the real estate conveyance and Amendment.

WHEREAS, the Port Authority has investigated the facts of the proposal with said investigation including the terms and conditions of said agreement, the proposed use of the Property, and the relationship thereof to the port district of Saint Paul and the business facilities of the Port Authority in general.

WHEREAS, the proposal presented meets the terms and conditions set forth by the Port Authority as its guide in determining if such proposals are in the best interests of the port district and of the public.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL:

1. That the Board of Commissioners of the Port Authority hereby finds, determines and declares that it is for the best interests of the port district and the people thereof, and in furtherance of the general plan of industrial development, to enter into said Amendment to convey the land to the Buyer;

2. That the actions of the President of the Port Authority in causing public notice of the proposed conveyance, and in describing the terms and conditions of such conveyance, which have been available for inspection by the public at the office of the Port Authority from and after the publication of notice of hearing, are in all respects ratified and confirmed; and

3. That the President of the Port Authority is hereby authorized to complete and execute said Amendment in substantially the form as is on file in the office of the Port Authority, and the proper Port Authority officers are hereby authorized to complete and execute all documents necessary to convey title in form as approved by counsel.

Adopted: September 24, 2024

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____
Its Chair

Attest:

By _____
Its Secretary

To: CREDIT COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: September 24, 2024

From: Holly Huston 

Subject: Credit Committee

APPROVAL OF THE ISSUANCE OF UP TO \$35,000,000 OF CONDUIT REVENUE BONDS BY THE PORT AUTHORITY OF THE CITY OF SAINT PAUL FOR THE BENEFIT OF DISTRICT ENERGY ST. PAUL, INC.

Board of Commissioners

PUBLIC HEARING - APPROVAL OF THE ISSUANCE OF UP TO \$35,000,000 OF CONDUIT REVENUE BONDS BY THE PORT AUTHORITY OF THE CITY OF SAINT PAUL FOR THE BENEFIT OF DISTRICT ENERGY ST. PAUL, INC.

RESOLUTION NO. 4800

Action Requested:

Approval of the issuance of up to \$35,000,000 of conduit revenue bonds (the “Bonds”) by the Port Authority of the City of Saint Paul (the “Port Authority”) for the benefit of District Energy Saint Paul, Inc. (“District Energy”).

Public Purpose:

The Bond proceeds will be used to refinance existing debt and enhance the local district heating and cooling systems of District Energy that service downtown and the surrounding area.

Business Subsidy:

This proposal does not involve a business subsidy.

Background:

District Energy 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 grow.

On August 20, 2024, the Port Authority Board of Commissioners granted preliminary approval for the Port Authority to issue tax-exempt bonds and authorization to apply for up to \$12,000,000 allocation of bonding authority from the Minnesota Management and Budget, Treasury Division for Section 142 exempt public utility bonds; and a declaration of intent to reimburse prior expenditures.

On September 5, 2024 a notice of public hearing on the proposal for the issuance of the Bonds was published in the Pioneer Press.

This action is a culmination of the Board’s bond issuance process, provides more details on the uses of the Bonds, and will allow the Port Authority to take the next steps to issue the Bonds.

Proposal:

Bond Purpose:

Finance certain improvements and enhancements to District Energy's local hot water district system and the local chilled water district cooling system throughout downtown Saint Paul and the surrounding area.

- Finance capital improvements to the existing cooling and heating plants and distribution systems.
- Finance the construction, installation, and equipping of a new cooling/heating plant at 334 University Avenue, Saint Paul, Minnesota 55130.
- Finance acquisition of an existing cooling distribution system on the grounds of the Minnesota State Capital Complex.
- Refinance taxable indebtedness.
- Finance capital interest on the bonds and necessary reserves.
- Pay costs of issuance of bonds.

Rate: Not to exceed 7%

Security: District Energy has pledged its gross revenues to secure any obligations issued and has also granted a mortgage on its heating plant and cooling plant. There is no financial recourse to the Port Authority.

Term: 30 years

Issuer: Port Authority of the City of Saint Paul

Issuer Counsel: Taft Stettinius & Hollister LLP

Borrower: District Energy St. Paul, Inc.

Property: District Energy's heating and cooling system in Saint Paul

Underwriter: Piper Sandler & Co

**Underwriter's
Counsel:** Dorsey & Whitney

Bond Counsel: Ballard Spahr LLP

Trustee: US Bank

Recommendation:

We recommend approval of the issuance of up to \$35,000,000 of Bonds by the Port Authority for the benefit of District Energy.

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

WHEREAS, the Port Authority of the City of Saint Paul (the “Port Authority”) is duly organized and existing under the Constitution and laws of the State of Minnesota; and

WHEREAS, under the Minnesota Municipal Industrial Development Act, Minnesota Statutes, Sections 469.152-469.1655, as amended (the “Act”), the Port Authority, is authorized to issue revenue bonds to finance or refinance, in whole or in part, the costs of the acquisition, construction, improvement, or extension of revenue producing enterprises, whether or not operated for profit; and

WHEREAS, District Energy St. Paul, Inc., a Minnesota nonprofit corporation (the “Corporation”), has requested that the Port Authority issue one or more series of tax-exempt or taxable conduit revenue bonds, in multiple series, to be designated as follows (or such other designation as necessary): (i) District Energy Revenue Bonds, Series 2024-1 (501(c)(3) Non-AMT) (the “Series 2024-1 Bonds”), and (ii) District Energy Revenue Bonds, Series 2024-2 (Taxable) (the “Taxable Series 2024-2 Bonds” and, together with the Series 2024-1 Bonds, the “Series 2024 Bonds”) and loan the proceeds derived from the sale of the Series 2024 Bonds to the Corporation, pursuant to a Loan Agreement, dated on or after November 1, 2024 (the “Loan Agreement”), between the Port Authority and the Corporation, to finance the Series 2024 Project (defined below); and

WHEREAS, the Corporation has represented to the Port Authority that it is proposing to utilize the proceeds of the Series 2024 Bonds in order to: (i) finance certain capital improvements, extensions, and enhancements to the local hot water district heating system and the local chilled water district cooling system (the “System”) of the Corporation; (ii) finance certain capital improvements to the Corporation’s cooling plant located at 229 10th Street East, Saint Paul, Minnesota 55101 (the “Cooling Plant”) and the Corporation’s heating plant located at 76 West Kellogg Boulevard, Saint Paul, Minnesota 55102 (the “Heating Plant”); (iii) finance the construction, installation and equipping of a new cooling/heating plant to be located at 334 University Avenue, Saint Paul, Minnesota 55130 (the “University Avenue Plant”); (iv) the acquisition of an existing cooling distribution system on the grounds of the Minnesota State Capitol Complex bounded by Sherburne Avenue, Marion Street, Interstate Highway 94 and Jackson Street (the facilities described in items (i) through (iv) are hereinafter collectively referred to as the “Series 2024 Project”); (v) finance capitalized interest on the Series 2024 Bonds for a period of time and any necessary reserves to secure the Series 2024 Bonds; (vi) refinance certain capital indebtedness of the Corporation previously incurred to improve the Heating Plant, the Cooling Plant and the System; (vii) fund a deposit to one or more reserve accounts for the Series 2024 Bonds; and (viii) pay costs of issuance for the Series 2024 Bonds; and

WHEREAS, the Series 2024 Bonds are proposed to be issued under the terms of this resolution and a Bond Indenture of Trust, to be dated on or after November 1, 2024 (the “Bond Indenture”), between the Port Authority and U.S. Bank Trust Company, National Association, as bond trustee (the “Bond Trustee”); and

WHEREAS, the payment obligations of the Corporation under the Loan Agreement and the Bond Indenture will be secured by one or more obligations of the Corporation to be issued under the terms of a supplement to an Amended and Restated Master Trust Indenture, dated as of October 1, 2015 (as amended and supplemented from time to time, the “Master Indenture”), between the Corporation, as obligated group representative, and U.S. Bank Trust Company, National Association (successor-in-interest to U.S. Bank National Association), as master trustee (the “Master Trustee”); and

WHEREAS, under the terms of the Master Indenture, the Corporation has pledged its gross revenues to secure any obligations issued under the Master Indenture and the Corporation has also granted a mortgage on its Heating Plant and Cooling Plant to the Master Trustee as security for all obligations issued under the Master Indenture; and

WHEREAS, the Series 2024 Bonds proposed to be issued by the Port Authority to finance the Series 2024 Project and the related costs will constitute revenue obligations secured solely by: (i) the revenues derived from the Loan Agreement (which includes the revenues pledged under the obligation(s) issued by the Corporation under the Master Indenture); (ii) other revenues pledged to or otherwise received by the Corporation, except for those revenues necessary for ordinary operational expenses and required under Minnesota law; and (iii) other security provided or arranged by the Corporation; and

WHEREAS, the Series 2024 Bonds will be sold to and/or placed by Piper Sandler & Co. (the “Underwriter”) pursuant to one or more Bond Purchase Contracts or Placement Agent Agreements (the “Bond Purchase Contract”); and

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 Series 2024 Project, the Board of Commissioners of the Port Authority must conduct a public hearing on the proposal to undertake and finance the Series 2024 Project; and

WHEREAS, under the terms of Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), the conduit revenue bonds may not be issued as tax-exempt bonds unless a public hearing is held in accordance with the requirements of Section 147(f) of the Code and Treasury Regulations, Section 5f.103-2; and

WHEREAS, following the publication of a notice (the “Public Notice”) of a public hearing in the *Saint Paul Pioneer Press*, the official newspaper of the Port Authority and the City of Saint Paul, Minnesota (the “City”), on September 7, 2024, at least fourteen (14) days before the regularly-scheduled meeting of the Port Authority on September 24, 2024, before the regularly-scheduled meeting of the Port Authority on this date, the Board of Commissioners conducted a public hearing at which a reasonable opportunity was provided for interested individuals to express their views on the proposal by the Corporation to undertake and finance the Series 2024 Project and the proposed issuance of the Series 2024 Bonds; and

WHEREAS, the Public Notice included a general description of the Series 2024 Project, the maximum aggregate face amount of the Series 2024 Bonds to be issued with respect to the Series 2024 Project, the identity of the owner, operator, or manager of the Series 2024 Project (the Corporation), the location of each component of the Series 2024 Project by street address or the general location, and a statement that a draft copy of the proposed application to DEED for the Series 2024 Project, together with all attachments and exhibits, will be available for inspection from the Port Authority; and

NOW, THEREFORE, BE IT RESOLVED THAT:

1. For the purposes set forth above, there is hereby authorized the issuance, sale, and delivery of the Series 2024 Bonds, in one or more series of tax-exempt bonds, in an original aggregate principal amount not to exceed \$35,000,000. If the Series 2024 Bonds are issued in more than one series of tax-exempt or taxable bonds, the separate series shall be separately designated as set forth above or in such other manner as is deemed appropriate by the Chair of the Port Authority (or any Commissioner), and the President of the Port Authority (collectively, the "Port Authority Officials"), in their discretion. The Series 2024 Bonds shall be issued under the terms of this resolution and the Bond Indenture. The Series 2024 Bonds shall bear interest at fixed rates established by the terms of the Bond Indenture; provided that the combined true interest cost on the Series 2024 Bonds shall not exceed 7.00%. The Series 2024 Bonds shall be designated, shall be numbered, shall be dated, shall mature, shall be subject to redemption or tender prior to maturity, shall be in such form, and shall have such other terms, details, and provisions as are prescribed in the Bond Indenture and Bond Purchase Contract, in the form now on file with the Port Authority, with the amendments referenced herein. The Port Authority hereby authorizes one or more of the Series 2024 Bonds to be issued as "tax-exempt bonds," the interest on which is excluded from gross income for federal and State of Minnesota income tax purposes.

All of the provisions of the Series 2024 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 2024 Bonds shall be substantially in the forms in the Bond Indenture on file with the Port Authority, which forms are hereby approved, with such necessary and appropriate variations, omissions, and insertions (including changes to the aggregate principal amount of each series of Series 2024 Bonds, the stated maturities of each series of Series 2024 Bonds, the principal amount of Series 2024 Bonds maturing on each maturity date, the interest rates on the Series 2024 Bonds, and the terms of redemption of the Series 2024 Bonds) as the Port Authority Officials, in their discretion, shall determine. The execution of the Series 2024 Bonds with the manual or facsimile signatures of the Port Authority Officials and the delivery of the Series 2024 Bonds by the Port Authority shall be conclusive evidence of such determination.

2. The Series 2024 Bonds shall be special, limited obligations of the Port Authority payable solely from the revenues provided by the Corporation pursuant to the Loan Agreement and from the revenues and security pledged, assigned, and granted pursuant to the following documents: (i) one or more obligations issued by the Corporation under the terms of the Master Indenture as amended by one or more supplemental indentures thereto; and (ii) mortgages previously granted by the Corporation to the Master Trustee, as amended and as such will be amended in connection with the issuance of the Series 2024 Bonds (as amended, collectively, the "Mortgages"). The proceeds of the Series 2024-1 Bonds will be subject to the provisions of a tax compliance certificate or tax certificate, to be dated the date of issuance of the Series 2024 Bonds (the "Tax Certificate"), executed and delivered by the Corporation with an Authority Endorsement to the Tax Certificate to be executed and delivered by the Port Authority Officials on behalf of the Port Authority (the "Tax Endorsement").

All of the provisions of the Bond 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. The Bond Indenture shall be substantially in the form on file with the Port Authority, which is hereby approved, with such necessary and appropriate variations, omissions, and insertions as do not

materially change the substance thereof, or as the Port Authority Officials, in their discretion, shall determine, and the execution thereof by the Port Authority Officials shall be conclusive evidence of such determination.

3. The loan repayments to be made by the Corporation under the Loan Agreement are fixed to produce revenues sufficient to provide for the prompt payment of principal of, premium, if any, and interest on the Series 2024 Bonds issued under this resolution when due, and the Loan Agreement also provides that the Corporation is required to pay all expenses of the operation and maintenance of the Series 2024 Project, including, but without limitation, adequate insurance thereon and insurance against all liability for injury to persons or property arising from the operation thereof, and all lawfully imposed taxes and special assessments levied upon or with respect to the Series 2024 Project and payable during the term of the Loan Agreement.

4. As provided in the Loan Agreement, the Series 2024 Bonds shall not be payable from or charged upon any funds other than the revenue pledged to their payment, nor shall the Port Authority or the City be subject to any liability thereon, except as otherwise provided in this paragraph. No holder of the Series 2024 Bonds shall ever have the right to compel any exercise by the Port Authority or the City of any taxing powers to pay the Series 2024 Bonds or the interest or premium thereon, or to enforce payment thereof against any property of the Port Authority or the City except the interests of the Port Authority in the Loan Agreement and the revenues and assets thereunder, which will be assigned to the Bond Trustee under the terms of the Bond Indenture. The Series 2024 Bonds shall recite that the Series 2024 Bonds are issued pursuant to the Act, and that the Series 2024 Bonds, including interest and premium, if any, thereon, are payable solely from the revenues and assets pledged to the payment thereof, and the Series 2024 Bonds shall not constitute a debt of the Port Authority or the City within the meaning of any constitutional or statutory limitations.

5. The Board of Commissioners of the Port Authority hereby authorizes the Port Authority Officials to execute and deliver the Bond Indenture, the Loan Agreement, the Tax Endorsement, Bond Purchase Contract and any other documents required by the Underwriter and the Corporation in connection with the issuance of the Series 2024 Bonds (collectively, the "Financing Documents"). The Port Authority Officials are also authorized and directed to execute and deliver the Series 2024 Bonds in accordance with the terms of the Master Indenture, the Bond Indenture, and the Bond Purchase Contract, which shall provide the terms and conditions, covenants, rights, obligations, duties, and agreements of the owners of the Series 2024 Bonds, the Port Authority, the Underwriter, and the Bond Trustee. All of the provisions of the Financing Documents to which the Port Authority is a party, 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 Financing Documents to which the Port Authority is a party shall be substantially in the forms on file with the Port Authority which are hereby approved, with such omissions and insertions as do not materially change the substance thereof, or as the Port Authority Officials, in their discretion, shall determine, and the execution of the Financing Documents to which the Port Authority is a party by the Port Authority Officials shall be conclusive evidence of such determination.

6. The Port Authority Officials and other officers, employees, and agents of the Port Authority are hereby authorized to execute and deliver, on behalf of the Port Authority, the Financing Documents to which it is a party and such other documents as are necessary or appropriate in connection with the issuance, sale, and delivery of the Series 2024 Bonds,

including various certificates of the Port Authority, one or more Information Return for Tax-Exempt Private Activity Bond Issues, Form 8038 with respect to the Series 2024-1 Bonds, a certificate as to arbitrage and rebate with respect to the Series 2024-1 Bonds, and similar documents. The Port Authority hereby approves the execution and delivery by the Bond Trustee of the Bond Indenture and all other instruments, certificates, and documents prepared in conjunction with the issuance of the Series 2024 Bonds that require execution by the Bond Trustee. The Bond Trustee is hereby appointed as bond registrar and paying agent with respect to the Series 2024 Bonds. The Port Authority hereby authorizes Ballard Spahr LLP, as bond counsel to the Corporation, to prepare, execute, and deliver its approving legal opinion with respect to the Series 2024 Bonds.

7. The Port Authority has not participated in the preparation of the Preliminary Official Statement or the Official Statement relating to the offer and sale of the Series 2024 Bonds (collectively, the "Official Statement"), and has made no independent investigation with respect to the information contained therein (other than with respect to information provided under the captions "ISSUER" and "ABSENCE OF LITIGATION - Issuer," as it relates to the Port Authority), including the appendices thereto, and the Port Authority assumes no responsibility for the sufficiency, accuracy, or completeness of such information. Subject to the foregoing, the Port Authority hereby consents to the distribution and the use by the Underwriter of the Official Statement in connection with the offer and sale of the Series 2024 Bonds. The Official Statement is the sole material consented to by the Port Authority for use in connection with the offer and sale of the Series 2024 Bonds.

8. Except as otherwise provided in this resolution, all rights, powers, and privileges conferred and duties and liabilities imposed upon the Port Authority or the Board of Commissioners by the provisions of this resolution or of the aforementioned documents shall be exercised or performed by the Port Authority or by such members of the Board of Commissioners, or such officers, board, body, or agency thereof as may be required or authorized by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation, or agreement herein contained or contained in the aforementioned documents shall be deemed to be a covenant, stipulation, obligation, or agreement of any member of the Board of Commissioners of the Port Authority, or any officer, agent, or employee of the Port Authority in that person's individual capacity, and neither the Board of Commissioners of the Port Authority nor any officer or employee executing the Series 2024 Bonds shall be liable personally on the Series 2024 Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

No provision, covenant, or agreement contained in the aforementioned Financing Documents, the Series 2024 Bonds or in any other document relating to the Series 2024 Bonds, and no obligation therein or herein imposed upon the Port Authority or the breach thereof, shall constitute or give rise to any pecuniary liability of the Port Authority or any charge upon its general credit or taxing powers. In making the agreements, provisions, covenants, and representations set forth in such documents, the Port Authority has not obligated itself to pay or remit any funds or revenues, other than funds and revenues derived from the Loan Agreement which are to be applied to the payment of the Series 2024 Bonds, as provided therein and in the Bond Indenture.

9. Except as herein otherwise expressly provided, nothing in this resolution or in the aforementioned documents expressed or implied, is intended or shall be construed to confer upon any person or firm or corporation, other than the Port Authority or any holder of the Series

2024 Bonds issued under the provisions of this resolution, any right, remedy, or claim, legal or equitable, under and by reason of this resolution or any provisions hereof, this resolution, the aforementioned documents and all of their provisions being intended to be and being for the sole and exclusive benefit of the Port Authority and any holder from time to time of the Series 2024 Bonds issued under the provisions of this resolution.

10. In case any one or more of the provisions of this resolution, other than the provisions contained in Section 8 hereof, or of the aforementioned documents, or of the Series 2024 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 Series 2024 Bonds, but this resolution, the aforementioned documents, and the Series 2024 Bonds shall be construed and endorsed as if such illegal or invalid provisions had not been contained therein.

11. The Series 2024 Bonds, when executed and delivered, shall contain a recital that they are issued pursuant to the Act, and such recital shall be conclusive evidence of the validity of the Series 2024 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 Series 2024 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.

12. The officers of the Port Authority, Taft Stettinius & Hollister LLP (as "Issuer's Counsel"), other attorneys, engineers, and other agents or employees of the Port Authority and Ballard Spahr LLP as bond counsel are hereby authorized to do all acts and things required of them by or in connection with this resolution, the aforementioned documents, and the Series 2024 Bonds for the full, punctual, and complete performance of all the terms, covenants, and agreements contained in the Series 2024 Bonds, the aforementioned documents, and this resolution. In the event that for any reason any of the Port Authority 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 Port Authority or the City delegated the duties of any such Port Authority Official with the same force and effect as if such documents were executed and delivered by such Port Authority Official.

13. The Corporation has agreed and it is hereby determined that any and all costs incurred by the Port Authority in connection with the Series 2024 Project will be paid by the Corporation, including the costs and expenses of Issuer's Counsel and the Port Authority's initial and ongoing annual issuance fees for the Series 2024 Bonds (which will be shared equally with the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota). It is understood and agreed that the Corporation shall indemnify, defend and hold harmless the Port Authority against all liabilities, losses, damages, costs and expenses (including reasonable attorney's fees and expenses incurred by the Port Authority) arising with respect to the Series 2024 Project or the Series 2024 Bonds, as provided for and agreed to by and between the Corporation and the Port Authority in the Loan Agreement.

14. The authority to approve, execute and deliver future amendments to the Financing Documents entered into by the Port Authority in connection with the issuance of the Series 2024 Bonds and consents required under the Financing Documents is hereby delegated to the Port Authority Officials, subject to the following conditions: (a) such amendments or consents do not require the consent of the respective holders of the Series 2024 Bonds or such

consent has been obtained; (b) such amendments or consents to not materially adversely affect the interests of the Port Authority; (c) such amendments or consents do not contravene or violate any policy of the Port Authority, and (d) such amendments or consents are acceptable in form and substance to the counsel retained by the Port Authority to review such amendments. 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 Port Authority Officials shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof.

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

Adopted: September 24, 2024

PORT AUTHORITY OF THE CITY OF
SAINT PAUL

By _____
Its Chair

ATTEST

By _____
Its _____

To: CREDIT COMMITTEE **Meeting Date:** September 24, 2024

From: Holly Huston *HH*

Subject: **LARRY AND RUTH COFFING TRUST PACE APPLICATION
APPROVAL OF A \$100,070 PACE TRILLION BTU LOAN**

Action Requested:

Provide approval for the Port Authority of the City of Saint Paul (the “Port Authority”) to initiate a PACE Trillion BTU loan for approximately \$100,070 (the “Loan”) to Larry and Ruth Coffing Trust (the “Borrower”) to add solar to the property owned by the Borrower located in Webster, Minnesota (the “Project”).

Background:

The Borrower owns a farm at 4920 W 50th St, Webster, MN 55088 (the “Property”). Currently the Property is a crop farm and has a barn for livestock that is vacant. Previously the farm had dairy cows and has the ability to operate a dairy again. The solar Project is expected to save the business \$5,458 in annual electrical costs, saving 47,249 kilowatt hours (kWh) of electricity through solar production.

Proposed Project:

The Project will add 34.4 KW solar panels to the Property.

Use of Funds	
Solar	\$100,070
Total Use	\$100,070
Sources	
Trillion BTU Loan	\$100,070
Total Sources	\$100,070

Financial Analysis:

The Property is valued at \$1,079,500 and has no mortgage or debt. The financial ratios meet the Trillion BTU Loan program standards. The Borrower’s income can cover the annual \$13,276 PACE Loan payment.

Debt Service Coverage:	9.0	Trillion Standard of at Least:	1.15
Debt-to-Equity:	0.03	Trillion Standard of less Than:	4.00
Loan to Value:	9%	Industry Standard of less Than:	80%

Loan Terms:

Source of Funds: Trillion BTU - Statewide
Collateral: PACE Assessment
Use of Funds: Solar
Amount of Loan: \$100,070
Rate: 5.5%
Term: 10 years
Assessment Start: 2025

Eligibility:

- Loan amount is less than or equal to 30% of the Property's assessed or appraised value.
30% (appraisal \$1,079,500 X 30% = \$323,850)
- Energy Audit provided.
Annual energy savings \$5,458
- Davis Bacon applies.
- Licensed Contractor.

Workforce Implications:

1 FTE for construction jobs.

Policy Exceptions:


No.

Recommendation

We recommend approval for the Port Authority to initiate the Loan for approximately \$100,070 to the Borrower for the Project.

To: CREDIT COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: September 24, 2024

From: Rick W. Howden 

Subject: **AUTHORIZATION TO APPLY FOR AND ACCEPT GRANT FUNDS FROM RAMSEY COUNTY CRITICAL CORRIDOR GRANT PROGRAM (PHASE 2) FOR SITE INFRASTRUCTURE AT THE HEIGHTS IN SAINT PAUL, MINNESOTA RESOLUTION NO. 4801**

Action Requested:

The Port Authority of the City of Saint Paul (the “Port Authority”) seeks authorization to apply for and accept funds from Ramsey County’s Critical Corridor grant program for up to \$500,000 for site infrastructure at The Heights development in Saint Paul, Minnesota.

Background:

Ramsey County’s Critical Corridors Development & Infrastructure program (the “Program”) is a redevelopment funding program for inclusive development and public infrastructure within transit, economic and cultural corridors. The Program supports projects that demonstrate efficient land use and compact built form to connect residents to housing, jobs, retail, and services, while creating walkable environments.

In September 2022, the Port Authority was successful in securing \$500,000 from Ramsey County’s Critical Corridor program (“Phase 1”) for site infrastructure, stormwater management, demolition, and geotechnical corrections for Industrial Parcel 5, where Xcel Energy is building.

Current Status:

As construction and installation of public roads and utilities continues this year and into 2025, additional funding is being requested to support the development of mixed-use, multi-family housing, access to a city park as well as additional light industrial development (“Phase 2”). This grant application will request funding for site infrastructure in the northern area of the 112-acre site.

The Port Authority intends to apply to the Program for grant funding for site infrastructure, including but not limited to streets, water mains, sewer, sidewalks, trails, and lighting at The Heights (the “Infrastructure”). To apply for funding, a resolution is required from the Port Authority Board of Commissioners authorizing the application. The grant application submission deadline is October 15, 2024, and funding decisions will be announced in December 2024.

Recommendation:

We recommend approval of a resolution authorizing the Port Authority to apply to and accept funds from the Program for up to \$500,000 in funding for the Infrastructure at The Heights in Saint Paul, Minnesota.

Attachment: Resolution

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

**[AUTHORIZATION TO APPLY FOR AND ACCEPT GRANT FUNDS FROM
RAMSEY COUNTY CRITICAL CORRIDOR GRANT PROGRAM (PHASE 2) FOR
SITE INFRASTRUCTURE AT THE HEIGHTS IN SAINT PAUL, MINNESOTA]**

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

WHEREAS, the Port Authority’s Board of Commissioners are appointed by the Mayor of the City of Saint Paul subject to the approval of the Council of the City of Saint Paul;

WHEREAS, two of the Port Authority Commissioners must be members of the Council of the City of Saint Paul;

WHEREAS, said members of the Council of the City of Saint Paul serve on the Port Authority Board so long as they continue to be members of the Council of the City of Saint Paul;

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

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 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), and the Port Authority has undertaken numerous redevelopment projects in the City of Saint Paul;

WHEREAS, the Port Authority is committed to the redevelopment of The Heights business center located at 2200 Larpenteur Avenue East in the East Side neighborhood of Saint Paul, Minnesota (“The Heights”), which it acquired in 2019;

WHEREAS, the Port Authority, is eligible to apply for project funding from Ramsey County’s Critical Corridors Development and Infrastructure grant program (the “Program”), a redevelopment funding program for inclusive development and public infrastructure within transit, economic, and cultural corridors;

WHEREAS, the Program funds projects that demonstrate efficient land use and connection of residents to housing, jobs, retail, and services, while creating walkable environments;

WHEREAS, the Port Authority has determined that The Heights redevelopment project, located in Saint Paul, Minnesota, meets the Program’s purposes and criteria;

WHEREAS, the Port Authority was previously awarded \$500,000 from the Program in September 2022 for site infrastructure, stormwater management, demolition, and geotechnical corrections for The Heights;

WHEREAS, the Port Authority now seeks authorization to submit an additional grant application, and to accept such grant if awarded, to the Program for up to \$500,000 in funding for site infrastructure, including but not limited to streets, water mains, sewer, sidewalks, trails, and lighting (the "Infrastructure") at The Heights in Saint Paul, Minnesota;

WHEREAS, the Port Authority has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration;

WHEREAS, the Port Authority finds that the construction of the Infrastructure at The Heights (the "Project") will not occur as planned through private or other public investment within the reasonably foreseeable future without this grant funding; and

WHEREAS, the Project furthers development and job creation in the City of Saint Paul.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL that the Port Authority supports The Heights project, for which a Critical Corridors grant application is being submitted to the Ramsey County Housing and Redevelopment Authority on or before October 15, 2024 by the Port Authority.

BE IT FURTHER RESOLVED that the President is hereby authorized on behalf of the Port Authority to make such grant application to the Program, and to accept such funds if awarded, for up to \$500,000 in funding for Infrastructure at The Heights.

BE IT FURTHER RESOLVED that if the Port Authority is awarded a grant by the Program, the Port Authority may enter into an agreement for the above-referenced Project as is necessary to accept and document such award and implement the Project, and certifies that it will comply with all applicable laws and regulations as stated in all grant award agreements.

I certify that the above resolution was adopted by the Board of Commissioners of the Port Authority of the City of Saint Paul on September 24, 2024.

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____
Its Chair

ATTEST:

By _____
Its Secretary

**SPECIAL BOARD MEETING
AUGUST 20, 2024**

The special meeting of the Port Authority Board was held on August 20, 2024, at 2:02 in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street, Suite 240, Saint Paul, Minnesota, 55102.

The following Commissioners were present:

Matt Slaven	Don Mullin	John Marshall
Amy Brendmoen*	Cheniqua Johnson*	

Also, present were the following:

Tonya Bauer	Amanda Burns*	Todd Hurley
Holly Huston	Sarah Illi	Bruce Kessel
Annamarie Kosel	Dana Krueger	Emily Lawrence
Kathryn Sarnecki	Laurie Siever*	Michael Solomon
Gao lab Thao	Nikki Tix*	Phoua Vang
Annie Watson	Linda Williams	JP Yohannes

Ilwad Hassan, Development Intern
Ayesha Khan, City of Saint Paul
Andrew Kasid, Ever-Green Energy

* Attended via Teams

APPROVAL OF MINUTES

Commissioner Mullin made a motion to approve the minutes of the July 23, 2024 regular Board meeting. The motion was seconded by Commissioner Marshall, submitted to a roll call vote, and carried unanimously.

CONFLICTS OF INTEREST

There were no conflicts of interest with any items on the agenda.

NEW BUSINESS

SWEARING IN OF AMY BRENDMOEN

Ms. Lawrence administered the oath of office to Ms. Brendmoen.

CREDIT COMMITTEE

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**

Motion was made by Commissioner Mullin to approve Resolution No. 4796, which was reviewed by the Credit Committee and recommended for approval by the Board. The motion was seconded by Commissioner Marshall, submitted to a roll call vote, and carried unanimously.

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

Motion was made by Commissioner Mullin to approve Resolution No. 4797, which was reviewed by the Credit Committee and recommended for approval by the Board. The motion was seconded by Commissioner Marshall, submitted to a roll call vote, and carried unanimously.

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

Motion was made by Commissioner Mullin to approve Resolution No. 4798, which was reviewed by the Credit Committee and recommended for approval by the Board. The motion was seconded by Commissioner Brendmoen, submitted to a roll call vote, and carried unanimously.

GENERAL MATTERS

Such Other Business That May Come Before the Board

There being no further business, the meeting was adjourned at 2:12 p.m.

By: _____

Its: _____