

**Regular Board Meeting**

March 28, 2023 - 2:00 p.m.

400 Wabasha Street No., Suite 240 | Saint Paul, MN 55102

Chair Slaven is calling a meeting of the Board of Commissioners for **Tuesday, March 28, 2023 at 2:00 p.m.** in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street No., Suite 240, St. Paul, MN.

The purpose of the meeting is:

**Minutes**

Approval of the Minutes from the February 28, 2023 Regular Board Meeting

**Conflicts of Interest**

Conflicts with any Items on the Agenda

**New Business**

Credit Committee

1. Resolution No. 4737 – Approval to Amend Documents Associated with the Port Authority of the City of Saint Paul Revenue Bonds, Series 2013-6 in relation to the Sale of the Saint Paul Saints

**General Matters**

Such Other Business That May Come Before the Board









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

**[APPROVAL TO AMEND DOCUMENTS ASSOCIATED WITH THE PORT  
AUTHORITY OF THE CITY OF SAINT PAUL REVENUE BONDS,  
SERIES 2013-6 IN RELATION TO THE SALE OF THE SAINT PAUL SAINTS]**

WHEREAS, the Port Authority of the City of Saint Paul (the "Port Authority") is authorized by Minnesota Statutes, Sections 469.048-469.068, and 469.084, as amended (the "Port Authority Act"), and by Minnesota Statutes, Sections 469.152-469.1655, as amended (the "Development Act"), to issue its revenue bonds to: (i) purchase, construct, install, or furnish capital equipment to operate an economic development facility of any kind in its port district; (ii) extend, enlarge, or improve a project under its control; (iii) plan for, acquire, construct, improve, operate, directly, by lease or otherwise, and maintain recreation facilities anywhere within its port district; and (iv) finance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension of a revenue-producing enterprise and of any related public improvements; and

WHEREAS, the revenue bonds issued under the Port Authority Act and the Development Act are not a debt of the City of Saint Paul (the "City"), are not secured by a pledge of the full faith and credit of the City, and are payable solely from the revenues expressly pledged to the revenue bonds; and

WHEREAS, in 2013, the City requested that the Port Authority participate in the financing of a portion of the cost of a multi-purpose regional ballpark currently known as CHS Field (the "Ballpark") through the issuance by the Port Authority of its \$8,800,000 Taxable Limited Tax-Supported Ballpark Revenue Bonds, Series 2013-6 (the "Series 2013-6 Bonds"); and

WHEREAS, the Series 2013-6 Bonds were issued by the Port Authority under the terms of the Development Act, Resolution No. 4480 of the Port Authority and an Indenture of Trust, dated December 1, 2013 (the "Indenture"), between the Port Authority and U.S. Bank Trust Company, National Association as successor trustee to U.S. Bank National Association (the "Trustee"); and

WHEREAS, the payment of the debt service on the Series 2013-6 Bonds is secured by, and has been paid from rent payments (the "Rent Payments") to be made by the Saints Baseball LLC, a Minnesota limited liability company, as successor to Saint Paul Saints Baseball Club Inc. (the "Original Owners"), to the City under the terms of a Ballpark Use Agreement, dated October 23, 2013 (the "Use Agreement"), by and between the City and the Original Owners, whereby Rent Payments were pledged and assigned by the City to the Port Authority under the terms of a Revenue Agreement, dated December 1, 2013 (the "Revenue Agreement"), by and between the City and the Port Authority; and

WHEREAS, the Original Owners owned and operated the Saint Paul Saints baseball team (the "Baseball Team") since the Ballpark opened until March 24, 2023; and

WHEREAS, the Series 2013-6 Bonds are also secured by a Debt Service Reserve Fund funded with proceeds of the Series 2013-6 Bonds and by a Guaranty Reserve Fund funded by money transferred to the Trustee under the terms of an Escrow Agreement, dated October 25,

2013 (the “Original Escrow Agreement”), by and among the Saints, the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the “HRA”), the Trustee, as escrow agent, the City, the Port Authority, and Marvin S. Goldklang, Michael Veeck, and William James Murray (collectively, the “Original Guarantors”); and

WHEREAS, in connection with the execution of the Original Escrow Agreement and the issuance of the Series 2013-6 Bonds by the Port Authority, the Original Owners entered into a Guaranty of Payment and Performance, dated October 25, 2013, in favor of the HRA and the Confession of Judgment, dated October 25, 2013, providing for the performance of the Original Owner’s payment of its obligations under (i) its \$564,743.50 note (the “HRA Note”) in favor of the HRA; and (ii) the Original Escrow Agreement to replenish the Guaranty Reserve Fund if rent payments are not timely made for the use of the Ballpark; and

WHEREAS, as additional security for the Series 2013-6 Bonds, the Series 2013-6 Bonds are also secured by the pledge of a mandatory tax levy to be imposed by the City, if necessary, under the terms of Minnesota Statutes, Section 469.053, subdivisions 4 and 5 (the “Tax Levy Act”), which mandatory tax levy has been authorized by Resolution No. 13-184, adopted by the City Council of the City on July 24, 2013, and Resolution No. 13-236, adopted by the City Council of the City on August 21, 2013 (the “Mandatory Tax Levy”); and

WHEREAS, the revenues derived from the Mandatory Tax Levy in an amount not in excess of \$800,000 per year are required under the terms of the Revenue Agreement to be applied to payment of the principal of or interest on the Series 2013-6 Bonds if other revenues pledged to the Series 2013-6 Bonds are not sufficient to pay the principal of and interest on the Series 2013-6 Bonds when due; and

WHEREAS, on March 24, 2023 the Original Owners sold the Baseball Team to DBH St. Paul, LLC, a Delaware limited liability company (the “Owner”) the parent of which is Diamond Baseball Holdings and pursuant to the terms of an Assignment and Assumption Agreement (the “Assumption Agreement”) between the Original Owner and the Owner, the Original Owner assigned and the Owner assumed various agreements relating to the ownership and operation of the Baseball Team, including the obligations, rights and responsibilities under the terms of (i) the Use Agreement, (ii) the Escrow Agreement, and (iii) related documents and agreements for the operation of the Baseball Team and the Ballpark; and

WHEREAS, the transfer of the ownership of the Baseball Team from the Original Owner to the new Owner may require the new Owner or new guarantors to enter into one of more agreements for the operation of the Baseball Team and comply with the terms of the financing documents for the outstanding Series 2013-6 Bonds previously issued by the Port Authority; and

WHEREAS, amendments to the financing documents may include the following:

(a) A First Supplemental Indenture of Trust, dated on or after March 1, 2023 (the “Supplemental Indenture”, between the Issuer and the Trustee, which supplements the Indenture of Trust, dated October 1, 2013 (the “Original Indenture” and together with the Supplemental Indenture, the “Indenture”);

(b) An Amended and Restated Escrow Agreement, dated March \_\_, 2023, by and among DBH, U.S. Bank Trust Company, National Association, as escrow agent, the City, the Port Authority, and a to be determined guarantor or guarantors (the “DBH Guarantor(s)”); which amends and restates the Original Escrow Agreement;

(c) A First Amendment to Ballpark Use Agreement, dated March \_\_, 2023 (the “Amended Use Agreement”), by and between the City and DBH;

(d) A Guaranty of Payment by the DBH Guarantor(s);

(e) A Confession of Judgment in the amount of \$564,732.50 in favor of the Port Authority and the City;

(f) An Assignment and Assumption Agreement, dated March 15, 2023 between the Original Owner and DBH; and

(g) and any other consents, documents and certificates which in the opinion of Port Authority, the Trustee, the City Attorney’s Office, Ballard Spahr LLP, as bond counsel, or Thrivent Financial for Lutherans (“Original Purchaser”), are deemed necessary to the transactions herein described (documents listed in (a)-(g), shall be hereinafter referred to as the “Saints Transfer Documents”).

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

1. The President and the Board Chair, or their proper designees, are hereby authorized to execute and deliver the Saints Transfer Documents. All of the provisions of the 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 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 President and the Board Chair, in their discretion, shall determine, and the execution and delivery thereof by the President and the Board Chair shall be conclusive evidence of such determination.

The approval of the President and the Board Chair, or their proper designees, to execute and deliver the Saints Transfer Documents to which the Port Authority is a party is conditioned on (1) the Escrow Agreement, Guaranty of Payment and Performance, and Confession of Judgment remain in full force and effect until such time as all of the Saints Transfer Documents are fully executed and delivered to the Port Authority and the City, as applicable; (2) the Guaranty Reserve Fund remains in full force and effect and is not required to be drawn upon prior to such time as all of the Saints Transfer Documents are fully executed and delivered; (3) all of the Saints Transfer Documents are fully executed on or before April [30], 2023, and (iv) the City Attorney’s Office and Bond Counsel have approved the forms of the final Saints Transfer Documents and the Port Authority has received any necessary consents, if any, of the Trustee or the holder of the Series 2013-6 Bonds required in the determination of Bond Counsel.

2. The authority to approve, execute, and deliver future amendments to the Saints Transfer Documents and other financing documents entered into by the Port Authority in connection with the issuance of the Series 2013-6 Bonds is hereby delegated to the President of the Port Authority, subject to the following conditions: (i) such amendments do not require the consent of the holders of the Series 2013-6 Bonds, or if such consent is required it has been obtained; (ii) such amendments do not materially adversely affect the interests of the Port Authority as the issuer of the Series 2013-6 Bonds; (iii) such amendments do not contravene or violate any policy of the Port Authority; and (iv) such amendments are acceptable in form and substance to Bond Counsel. The execution of any instrument by the President of the Port



Authority shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof.

3. In case any one or more of the provisions of this resolution, or of the aforementioned Saints Transfer Documents, or of the Series 2013-6 Bonds previously issued by the Port Authority 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 Saints Transfer Documents, or of the Series 2013-6 Bonds, but this resolution, the aforementioned Saints Transfer Documents, and the Series 2013-6 Bonds shall be construed and endorsed as if such illegal or invalid provisions had not been contained therein.

4. This resolution shall take effect and be in force from and after its approval.

Adopted: March 28, 2023

PORT AUTHORITY OF THE  
CITY OF SAINT PAUL

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

ATTEST:

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