

**Special Board Meeting**

June 18, 2019 - 2:00 p.m.

380 St. Peter Street, Suite 850 | Saint Paul, MN 55102

**Minutes**

Approval of Minutes from the May 28, 2019 Regular Board Meeting

**Conflicts of Interest**

Conflicts with any Items on the Agenda

**New Business**

**Credit Committee**

1. Resolution No. 4652 - Purchase of Land – 112 Acres Located at: 2200 Larpenteur Avenue East, Saint Paul, MN - Former Hillcrest Golf Club
2. Resolution No. 4653 - Issuance of \$10,000,000 of G.O. Bonds - Hillcrest Redevelopment Project

**General Matters**

Such other Business that May Come Before the Board

**SAINT PAUL PORT AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
MAY 28, 2019**

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The regular meeting of the Port Authority Board was held on May 28, 2019, at 2:06 p.m. in the Board Room of the Saint Paul Port Authority located at 380 St. Peter Street, Suite 850, Saint Paul, Minnesota 55102.

The following Board Members were present:

John Bennett	Paul Williams	Nneka Constantino, via phone
Don Mullin	John Marshall	Mitra Jalali Nelson

Also present were the following:

Lee Krueger	Todd Hurley	Dana Krueger
Monte Hilleman	George Hoene	Kathryn Sarnecki
Bruce Kessel	Ann Kosel	David Johnson
Andrea Novak	Michael Linder	Tonya Bauer

Eric Larson, General Counsel, City of Saint Paul  
Emma Nelson, Star Tribune  
Fred Melo, Pioneer Press  
Kiki Sonnen

**APPROVAL OF MINUTES**

Commissioner Marshall made a motion to approve the minutes of the April 23, 2019 Regular Board meeting. The motion was seconded by Commissioner Mullin, submitted to a vote and carried unanimously.

Commissioner Williams made a motion to approve the minutes of the April 23, 2019 Closed Board meeting. The motion was seconded by Commissioner Mullin, submitted to a vote and carried unanimously.

**CONFLICT OF INTEREST**

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

**NEW BUSINESS**

**CREDIT COMMITTEE**

**RESOLUTION NO. 4651**

**PUBLIC HEARING – CREATION OF THE HILLCREST INDUSTRIAL DEVELOPMENT DISTRICT**

Motion was made by Commissioner Williams to approve Resolution No. 4651 which was reviewed by the Credit Committee and recommended for approval by the Board.

Chair Bennett stated that in accordance with Minnesota Law, the Port Authority is required to hold a public hearing regarding Resolution No. 4651 and declared the Public Hearing open.

Discussion included, but was not limited to, the statutory definition and purpose of an industrial development district, how it works within the Port's process and the City's process, and details of previous projects where industrial development districts have been utilized.

Further discussion included, the City's formal master plan process and ways the public could voice their comments on this project.

He asked if anyone in attendance wished to address the Board.

Mr. Melo came forward and asked about the possible purchase of the Hillcrest property.

Mr. Krueger informed him that as of today, that is not an agenda item.

Chair Bennett declared the Public Hearing closed and asked to take a roll call vote.

Chair Bennett stated that a roll call vote is required under Chapter 469 and the Commissioners voted as follows:

Commissioner Williams	- aye	Commissioner Constantino	- aye
Commissioner Marshall	- aye	Commissioner Mullin	- aye
Commissioner Nelson	- aye	Chair Bennett	- aye

The motion carried unanimously.

### GENERAL MATTERS

Mr. Krueger gave a brief legislative update.

There being no further business, the meeting was adjourned at 2:22 p.m.

By \_\_\_\_\_

Its \_\_\_\_\_

/amk

## MEMORANDUM

**To:** BOARD OF COMMISSIONERS

**Meeting Date:** June 18, 2019

**From:** Monte M. Hilleman



**Subject:** PURCHASE OF LAND

**112 ACRES LOCATED AT: 2200 Larpenteur Avenue East, Saint Paul, MN  
FORMER HILLCREST GOLF CLUB OF SAINT PAUL  
RESOLUTION NO. 4652**

**Action Requested:**

Approval of the purchase of, and the expenditure of funds as more fully detailed below for, approximately 112 acres of land at the former Hillcrest Golf Club of Saint Paul.

**Background:**

Attached is a memorandum outlining the terms of the land purchase transaction with Hillcrest Investments, LLC, an affiliation of the Steamfitter Pipefitters Local 455, for the property located at 2200 Larpenteur Avenue East, Saint Paul, MN.

**Recommendation:**

We recommend approval.

**Attachments:** Map  
Resolution

**SAINT PAUL PORT AUTHORITY  
LAND PURCHASE TRANSACTION**

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**Action Requested:**

Approval of the purchase of, and the expenditure of funds as more fully detailed below for, approximately 112 acres of land at the former Hillcrest Golf Club of Saint Paul.

**Development Officer:**

Monte Hilleman, Senior Vice President of Real Estate Development

**Grantee:**

Hillcrest Investments, LLC

**Grantee Address:**

1301 L'Orient St, St Paul, MN 55117

**Location of Property to be Conveyed:**

2200 Larpenteur Avenue East  
Saint Paul, Minnesota

**Purchase Structure:**

The Steamfitter Pipefitters Local 455 (herein "455") purchased the property in 2012 and operated it as a golf course until October 2017. Operating losses led to 455's decision to close the course at that time. 455 has passively marketed the site since then, with little private sector interest. The amount of risk to the private sector associated with acquiring a brownfield site this large, with significant topographic challenges, without infrastructure, an approved master plan, zoning or other entitlements is evidently too significant for buyers to absorb.

Initial investigations discovered a significant amount of mercury soil contamination, a common fungicide used on golf courses through its phase-out in the 1990's and beyond; along with petroleum releases associated with maintenance and operations on the site.

The Port Authority began discussions with 455 in mid-2018 and continued into 2019. In May 2019, the parties arrived at a \$10,000,000 purchase price (\$2.05/SF) subject to certain conditions related to environmental remediation and other contingencies.

A summary of the Purchase Agreement is as follows:

- A. **Property:** The parcels numbered 1-6 as noted on the attached site plan and measuring approximately 112 acres
- B. **Purchase Price:** \$10,000,000
- C. **Deposit:** \$25,000 earnest money

D. Closing Date: No later than June 26, 2019

E. Port Authority Contingencies:

- a. The Purchase Agreement terminates in the event the Port Authority Board of Commissioners does not approve the agreement at its meeting on June 18, 2019.
- b. The Purchase Agreement is contingent upon the City of Saint Paul initiating the ordinance approval process, prior to closing, for the issuance of \$10,000,000 of Port Authority general obligation bonds by December 31, 2019.
- c. The Port Authority's due diligence period expires on June 21, 2019. If prior to the expiration date the Port Authority determines that the physical condition of the property is not satisfactory, it has the right to terminate the Purchase Agreement (at closing the Port Authority accepts the condition of the property "as is-where is", including environmental condition).

F. Relocation Benefits: 455 has waived any relocation benefits it may be entitled to.

G. Project Labor Agreement: Land development activity by the Port Authority and subsequent construction by any general contractor and subcontractors of whatever tier performing any work for the initial development of buildings or material improvements on the Property are required to enter into a Project Labor Agreement, this requirement extends to subsequent third-party purchasers, successors and assigns.

**Public Purpose:**

The former Hillcrest Golf Club of Saint Paul has not been in operation since 2017. The site now lays fallow with no activity of any nature. The public purpose is to acquire site control and accelerate the redevelopment of 112 acres of land on the East Side of Saint Paul for a mixed used, master planned development with substantial light industrial zoned land to accomplish the Port Authority's economic development mission, by removing site preparation risks and other barriers to private sector investment.

Brownfield land development preparation by the Port Authority, followed by private sector investment will have significant and positive results for the City of Saint Paul and the East Side neighborhood. Preliminary analysis indicates the site has significant capacity for mixed use development, including:

- Jobs: Approximately 1,000 permanent FTE's (TBC per due diligence and master plan) and approximately 1,700 construction jobs.
- Annual Property Taxes: Up to approximately \$250,000,000 of new estimated market value, resulting in over \$5,000,000 in annual property taxes (TBC per due diligence and master plan). Current year taxes are \$500,000.

- Green Space: Around 20 acres of Green Space/Parks/Wetlands/Stormwater amenities.
- Sustainable Development: Potential to showcase energy efficient, sustainably designed buildings, Next Generation Stormwater Management practices, and renewable energy production.
- Social Equity: Publicly bid construction contracts for land development activity by the Port Authority will utilize City of Saint Paul HREEO programs and goals, including the Vendor Outreach Program. The Port Authority is also working with project engineers and consultants to develop programs to recruit diverse local workforces to their respective disciplines.
- The site provides an excellent option for businesses looking to locate or expand in Saint Paul, such as those fostered through the City's innovation strategies and partnerships such as Full Stack, Techstars, etc. and provides room for those ready to "scale up" to new construction space.
- Accelerate redevelopment of the site, private investment, and generation of additional tax base through the resolution and removal of significant entitlement risk to the private sector.

**Purchase Price:**

As noted above, the purchase price is \$10,000,000, which will be structured so that the existing liens of approximately \$6,900,000 on the property can be extinguished at closing and the Seller receiving a note for the balance at zero interest. The note would be payable three business days after the closing of \$10,000,000 in GO Bonds. A City of St. Paul ordinance will be required, and the City has initiated this process and anticipates final approved in July 2019.

Staff has been working with various consultants to prepare the documents necessary for such an issuance and anticipates being able to issue the bonds in the third quarter. The Port Authority will need a temporary source to advance the approximately \$6,900,000 needed to close on this transaction until such time as it can be reimbursed from the bond issue. The Port Authority has a number of designated funds that will not be needed in the next quarter that could be advanced until such time as they can be reimbursed by the bond issue. As such, we are also asking the Board to authorize the use of available cash to bridge finance the purchase of the land and that such advances be repaid with the \$10,000,000 GO Bond issue.

**Development Officer's Comments:**

In my opinion the economic terms of the Purchase Agreement are favorable for the Port Authority. The negotiated purchase price for the real estate is \$10,000,000, or \$2.05/SF. That represents a significant cost efficiency compared to other options for the Port Authority to acquire the significant amount of land required to accomplish its economic development mission.

For comparison, the Port acquired the 46.5 acres former 3M Headquarters site for \$2.65/SF. Buildable industrial land in Saint Paul transacts generally between \$3-5/SF. Ramsey County in 2019 valued the 112 acres at \$12,558,100 or \$2.58/SF (which does not account for the significant site issues identified above).

The purchase price will be reimbursed from the proceeds of a Port Authority general obligation bond issue. The issuance of such bonds is a necessary Port Authority contingency for the acquisition.

All other terms and conditions negotiated in the Purchase Agreement are consistent with what is typically found in similar transactions.

I recommend your approval of this Purchase Agreement. This transaction is under favorable economic terms for the Port Authority and the redevelopment potential has significant public purpose outcomes that will benefit the East Side and the City of Saint Paul.

# 112 Acres: Former Hillcrest Golf Course

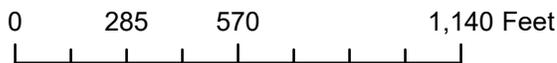
## 2200 Larpenteur Ave E, Saint Paul MN



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

Data contained on this map has not been field verified and should be used as reference only. It is the user's responsibility for field verifying elevations, locations, dimensions, etc. to conduct detail design.

The Saint Paul Port Authority specially disclaims all warranties, expressed or implied, including but not limited to implied warranties of fitness for a particular purpose, with respect to the information contained on this map. The Saint Paul Port Authority shall have no liability with respect to any loss or damage directly or indirectly arising out of the use of this data.



**Hillcrest Project Area**  
 Hillcrest Project Area



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

**[PURCHASE OF LAND – FORMER HILLCREST GOLF CLUB OF SAINT PAUL]**

WHEREAS, the Port Authority staff has entered into a negotiated contingent Purchase Agreement for the Port Authority to acquire marketable title to 112 acres of property owned by the Pipefitters Steamfitters Local 455 located at 2200 Larpenteur Avenue East in Saint Paul, Minnesota, formerly the Hillcrest Golf Club of Saint Paul, the description of which is attached hereto as Exhibit A (the “Property”).

WHEREAS, under the terms of the contingent Purchase Agreement, the Port Authority’s purchase is contingent on approval by the Board of Commissioners.

WHEREAS, the purchase price for the Property is \$10,000,000.00 and the Port Authority has deposited \$25,000.00 in escrow as earnest money for the purchase of the Property.

WHEREAS, the purchase price is \$10,000,000, payment of which is structured so that the existing liens of approximately \$6,900,000 on the property can be extinguished at closing and the seller receives a note for the balance at zero interest; and the Port Authority will advance the \$6,900,000 due at closing through an advance.

WHEREAS, both the advance and the seller’s note will be reimbursed and paid from the G.O Bond, subsequent net land sale or other proceed sources.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAIN PAUL, that the Port Authority’s acquisition of the Property and the note and advance to finance the Property acquisition are in the best interests of the Port District and the taxpayers thereof; 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 to consummate the above-described transactions, and Port Authority staff is hereby authorized to enter into negotiations with, and retain such consultants as deemed necessary or advisable by the Port Authority staff in furtherance of the planning, financing, acquisition and development of the Property.

Adopted: June 18, 2019

PORT AUTHORITY OF THE  
CITY OF SAINT PAUL

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

Attest:

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

**EXHIBIT A**  
**To Resolution No. 4652**

Legal Description of: 2200 Larpenteur Avenue East in Saint Paul, Minnesota,  
formerly the Hillcrest Golf Club of Saint Paul

Parcel 1:

Lot 4, Block 1, Furness' Garden Lots.

The South half of Lot 2, Block 5, Furness' Garden Lots.

Lot 3, Block 5, Furness' Garden Lots.

Ramsey County, Minnesota.  
Torrens Property  
Torrens Certificate No. 583681

Parcel 2:

Blocks 1, 2, 3, 4, 5, 6, 7 and 8, Harvester Heights, together with all the streets and alleys in said Blocks 1, 2, 3, 4, 5, 6, 7 and 8, which were vacated and which accrued to said blocks by the operation of law upon the vacation thereof.

Ramsey County, Minnesota  
Torrens Property  
Torrens Certificate No. 583681

Parcel 3:

Lots 1, 2, 3, 5, 7, 8, 9, 10, 11 and 12, Block 1, Furness' Garden Lots.

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12, Block 6, Furness' Garden Lots.

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12, Block 7, Furness' Garden Lots.

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12, Block 13, Furness' Garden Lots.

Ramsey County, Minnesota  
Torrens Property  
Torrens Certificate No, 583681

Parcel 4:

Lot 1, Block 5, Furness' Garden Lots.

Ramsey County, Minnesota  
Torrens Property  
Torrens Certificate No. 583681

## MEMORANDUM

**To:** BOARD OF COMMISSIONERS **Meeting Date:** June 18, 2019

**From:** Todd P. Hurley 

**Subject:** **ISSUANCE OF \$10,000,000 OF G.O. BONDS – HILLCREST REDEVELOPMENT PROJECT  
RESOLUTION NO. 4653**

**Action Requested:**

Approval to issue approximately \$10,000,000 in bonds backed by the full faith, credit, and resources of the City of Saint Paul for the acquisition of the land comprising the former Hillcrest Golf Course.

**Background:**

The Port Authority has negotiated the purchase of 112 acres of land on Saint Paul's East Side from Hillcrest Investments, LLC. The City has agreed to allow the Port Authority to use General Obligation (G.O.) bonds to fund this acquisition.

The Port Authority will work with the City and the public in developing a master plan for the site. It is anticipated that some of the land will be used for industrial sites, park land, public roads, and housing. While some of the land use is clearly for governmental purposes, which qualify for tax exempt bonds, other uses may require the bonds be taxable. As such, it is anticipated that the bond issue will be structured so that there is a combination of taxable and tax-exempt bonds which comprise the \$10,000,000 total.

**Current Status:**

The City Council has agreed to pass an ordinance authorizing the bond sale. Specifics of the interest rate, maturity, call premium, original issue discount, etc. will be delegated to a Pricing Committee. The Pricing Committee members will be a representative of the Port Authority, the City Treasurer, the Debt Manager representing the City's Office of Financial Services, and a representative from the financial advisor (currently PFM Financial Advisors, LLC). We anticipate selling and closing on the bonds in the third quarter of 2019.

**Recommendation:**

We recommend approval of the issuance of \$10,000,000 in G.O. Bonds for the acquisition of the former Hillcrest Golf Course.

Attachments: Resolution

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

**GENERAL OBLIGATION (HILLCREST REDEVELOPMENT PROJECT)  
TAXABLE SERIES 2019-1 AND TAX-EXEMPT SERIES 2019-2**

WHEREAS, in accordance with the provisions of Minnesota Statutes, Sections 469.048 to 469.068, Section 469.084 and Chapter 475, as amended (together, the "Act") the Port Authority of the City of Saint Paul, Minnesota (the "Port Authority") is permitted upon authorization by the City Council of the City of Saint Paul, Minnesota (the "City") to issue tax-exempt or taxable bonds that general obligation bonds; and

WHEREAS, the Port Authority is proposing to issue one or more series of bonds in an original aggregate amount not to exceed \$10,000,000 whereby the Port Authority levies a tax, with the consent of the City, and pledges the full faith and credit and unlimited taxing power of the City to the repayment of such bonds; and

WHEREAS, by an Ordinance to be adopted by the City Council on July 17, 2019 and approved by the Mayor (the "Authorizing Ordinance") and effective 45 days after publication, the City Council, among other things, will be requested to authorize the Port Authority to issue its bonds that are general obligations of the City pledging the full faith and credit and unlimited taxing power of the City, in one or more series of taxable or tax-exempt obligations, in an aggregate principal amount not to exceed \$10,000,000 for the purposes described below in this resolution and further approved the Port Authority's pledge of the City's full faith and credit and resources as security for the payment of debt service on such bonds; and

WHEREAS, the Port Authority desires to issue and sell, with the advice of PFM Financial Advisors LLC (formerly known as Public Financial Management, Inc.) (the "Municipal Advisor") the following obligations: (i) the Taxable General Obligation Bonds (Hillcrest Redevelopment Project), Series 2019-1 (the "Series 2019-1 Bonds"); and (ii) Tax-Exempt General Obligation Bonds (Hillcrest Redevelopment Project), Series 2019-2 (the "Series 2019-2 Bonds," and together with the Series 2019-1 Bonds, the "Series 2019 Bonds"); and

WHEREAS, the Series 2019 Bonds will be sold in principal amounts such that the combined total original aggregate principal amount will not exceed \$10,000,000 for the purposes of: (i) financing the purchase of, remediate, better, and improve the former Hillcrest Golf Course site located at 2200 Larpenteur Avenue East, in the City in order to remediate the marginal property currently known as Hillcrest Golf Course in preparation for redevelopment, (2) pay for other purposes set forth in Minnesota Statutes, Sections 469.048 to 469.068, as amended (the "Port Authority Act"), and (iii) pay costs of issuance of the Series 2019 Bonds; and

WHEREAS, pursuant to the Authorizing Ordinance, the City authorized a Pricing Committee, comprised of the persons described therein, to determine certain terms of the Series 2019 Bonds as hereinafter described.

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

Section 1. Sale of the Series 2019 Bonds.

1.01. Purpose of the Series 2019 Bonds. The Port Authority is proposing to issue the Series 2019 Bonds authorized by the Authorizing Ordinance, pursuant to the Act, in the combined original aggregate principal amount not to exceed \$10,000,000, in order to finance the purposes described in the recitals of this Resolution.

1.02. Requirements of the Act. The Port Authority has complied with or will comply with the provisions of the Act and the Authorizing Ordinance.

1.03. Pricing Committee. The Pricing Committee created by the Authorizing Ordinance, and consisting of a representative from the Port Authority, the City's Treasurer and City Debt Manager or their designee, and a representative of the Municipal Advisor (the "Pricing Committee") is hereby delegated the authority to determine the final pricing of the Series 2019 Bonds and to negotiate the sale of the Series 2019 Bonds with Robert W. Baird & Co. Incorporated (the "Underwriter") and to authorize the Port Authority to enter into one or more Bond Purchase Agreements with the Underwriter to be dated the date of the purchase of the Series 2019 Bonds (the "Bond Purchase Agreement") with the Underwriter. The Pricing Committee is hereby delegated the authority to establish the terms and conditions of each series of the Series 2019 Bonds, subject to the limitations set forth in this Resolution. In addition, the Pricing Committee is hereby authorized to establish the annual amount of the tax levy to be certified to the Ramsey County Auditor (the "Auditor") with respect to each series of the Series 2019 Bonds. The Series 2019 Bond terms, amendments, if any, and tax levy, as set forth in the completed certificate of the Pricing Committee (the "Pricing Committee Certificate") shall, upon delivery, be deemed to be a part of this Resolution as if set forth originally herein and such terms shall be incorporated and included in the form of the Series 2019 Bonds and in such other certificates, documents and agreements as appropriate.

The final decision of the Pricing Committee to execute and deliver the Bond Purchase Agreement on behalf of the Port Authority with the Underwriter shall be controlling. The Pricing Committee, in its discretion on behalf of the Port Authority, may waive non-substantive informalities with respect to the proposals to purchase the Series 2019 Bonds. The Pricing Committee is hereby authorized to determine the maturity dates, principal amounts of the stated maturities of the Series 2019 Bonds, optional and mandatory redemption provisions with respect to the Series 2019 Bonds, and such other terms of the Series 2019 Bonds, as the Pricing Committee deems most appropriate and in the best interests of the Port Authority, provided (i) the combined true-interest cost for the Series 2019 Bonds shall not exceed \_\_\_% per annum, (ii) the final maturity date of the Series 2019 Bonds shall be no later than \_\_\_\_\_ 1, 20\_\_\_\_, and (iii) the combined original aggregate principal amount of the Series 2019 Bonds shall not exceed \$10,000,000.

1.04. Execution of Purchase Agreement. The President and Chief Financial Officer of the Port Authority, or their designee, are directed to execute and deliver one or more Bond Purchase Agreement with the Underwriter.

1.05. General Terms of the Series 2019 Bonds. The Series 2019 Bonds will be dated as of their date of issuance or shall be dated such other date as the Pricing Committee may determine in denominations of \$5,000 or any integral multiple thereof, and each series of the Series 2019 Bonds shall be numbered from R-1 upwards in order of issuance, or with such other numbering and in such other order as the Pricing Committee may determine. The

issuance, sale and delivery of the Series 2019 Bonds pursuant to the Act is hereby approved by the Port Authority.

1.06. Redemption.

(a) Optional Redemption. Each series of the Series 2019 Bonds shall be subject to optional redemption at the dates and prices set forth in the Pricing Committee Certificate delivered in accordance with this Resolution. Optional redemptions of each series of the Series 2019 Bonds may be in whole or in part and if in part at the option of the Port Authority and in such manner as the Port Authority shall determine. If less than all of a series of the Series 2019 Bonds of a maturity are called for redemption, the Port Authority will notify DTC (as defined herein) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All optional redemptions of Series 2019 Bonds shall be at a price of par plus accrued interest to the redemption date.

(b) No Scheduled Mandatory Redemption. There are no Term Bonds which are subject to mandatory redemption and prepayment on scheduled dates, unless determined to be advantageous by the Pricing Committee.

(c) Selection of Series 2019 Bonds to be Redeemed; Redemption Procedure. In the event any of the Series 2019 Bonds are called for redemption, notice thereof identifying the Series 2019 Bonds to be redeemed shall be given by the Registrar (as defined herein) by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Series 2019 Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, shall not affect the validity of the proceedings for the redemption of Series 2019 Bonds. Series 2019 Bonds so called for redemption shall cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the Registrar at that time.

(d) Notice of Redemption. The Registrar shall call the Series 2019 Bonds for optional redemption and prepayment as herein provided upon written receipt by the Registrar at least forty-five (45) days prior to the redemption date of a request of the Port Authority. Such request shall specify the series and principal amount of Series 2019 Bonds to be called for redemption and the redemption date.

Mailed notice of optional redemption shall be given to the Paying Agent (as defined below) and to each affected Holder. If and when the Port Authority shall call any of the Series 2019 Bonds for redemption and prepayment prior to the stated maturity thereof, the Registrar shall give written notice in the name of the Port Authority of its intention to redeem and pay such Series 2019 Bonds at the office of the Registrar. Notice of redemption shall be given by first class mail, postage prepaid, mailed not less than thirty (30) days prior to the redemption date, to each Holder of Series 2019 Bonds to be redeemed at the address appearing in the Bond Register. All notices of optional redemption shall state: (i) the redemption date; (ii) the redemption price; (iii) if less than all outstanding Series 2019 Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Series 2019 Bonds to be redeemed; (iv) that on the optional redemption date, the redemption price will become due and payable upon each such Series 2019 Bond, and that interest thereon shall cease to accrue from and after said date; (v) the place where such Series 2019 Bonds are

to be surrendered for payment of the redemption price (which shall be the office of the Registrar); and (vi) include a statement that the redemption so noticed is conditioned on sufficient funds being held by the Port Authority on or before noon on the applicable redemption date to pay the full redemption price, and if at such time the amount so held is not sufficient to pay all amounts required to effect the noticed redemption in full, the redemption shall be cancelled, with all Series 2019 Bonds tendered for such redemption being returned to the holders thereof and no liability on the part of the Port Authority shall arise as a result of such cancellation.

Notices to DTC or its nominee shall contain the CUSIP numbers of the Series 2019 Bonds. If there are any Holders of the Series 2019 Bonds other than DTC or its nominee, the Registrar shall use its best efforts to deliver any such notice to DTC on the business day next preceding the date of mailing of such notice to all other Holders.

## Section 2. Registration and Payment.

2.01. Registered Form. The Series 2019 Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Series 2019 Bond, the principal amount thereof, is payable by check or draft issued by the Registrar.

2.02. Dates; Interest Payment Dates. Each Series 2019 Bond shall be dated as of the last interest payment date preceding the date of authentication to which interest on the Series 2019 Bonds has been paid or made available for payment, unless: (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Series 2019 Bonds will be dated as of the date of authentication; or (ii) the date of authentication is prior to the first interest payment date, in which case the Series 2019 Bonds will be dated as of the date of original issue. The Series 2019 Bonds shall mature on such dates and in such principal amounts as indicated in the Pricing Committee Certificate. The Series 2019 Bonds shall bear interest at the rates per annum as indicated in the Pricing Committee Certificate and shall be payable on each February 1 and August 1, commencing on [August 1, 2020], computed on the basis of a 360-day year of twelve thirty-day months. The interest on the Series 2019 Bonds is payable to the registered owners of record thereof as of the close of business on the fifteenth (15th) day of the immediately preceding month, whether or not such day is a business day.

2.03. Registrar. The Chief Financial Officer of the Port Authority is hereby authorized to appoint a bank or trust company (or officer of the Port Authority) to act as paying agent, bond registrar and transfer agent with respect to the Series 2019 Bonds (the "Registrar" or "Paying Agent"). The Port Authority hereby names U.S. Bank National Association as the initial Registrar and Paying Agent. Such Registrar shall so act for all Series 2019 Bonds unless and until a successor Registrar is duly appointed. Such appointment and designation shall be made by certificate delivered by the Chief Financial Officer upon delivery of the Series 2019 Bonds to the initial purchaser. A successor Registrar shall be a bank or trust company eligible for designation as bond registrar pursuant to the Act, and may be appointed pursuant to any contract the Port Authority and such successor Registrar shall execute which is consistent herewith. The Registrar shall also serve as Paying Agent unless and until a successor Paying Agent is duly appointed. Principal and interest on the Series 2019 Bonds shall be paid to the registered holder or holders of the Series 2019 Bonds (the "Holder" or "Holders") in the manner set forth in the form of the Series 2019 Bonds. The effect of registration and the rights and duties of the Port Authority and the Registrar with respect thereto are as follows:

(a) *Register.* The Registrar shall keep a bond register in which the Registrar provides for the registration of ownership of the Series 2019 Bonds and the registration of transfers and exchanges of the Series 2019 Bonds entitled to be registered, transferred, or exchanged.

(b) *Transfer of Series 2019 Bonds.* Upon surrender for transfer of a Series 2019 Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Series 2019 Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth (15th) day of the month preceding each interest payment date and until that interest payment date.

(d) *Exchange of Series 2019 Bonds.* When Series 2019 Bonds are surrendered by the registered owner for exchange, the Registrar shall authenticate and deliver one or more new Series 2019 Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner's attorney in writing.

(e) *Cancellation.* Series 2019 Bonds surrendered upon transfer or exchange shall be promptly cancelled by the Registrar and thereafter disposed of as directed by the Port Authority.

(f) *Improper or Unauthorized Transfer.* When a Series 2019 Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Series 2019 Bond until the Registrar is satisfied that the endorsement on the Series 2019 Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(g) *Persons Deemed Owners.* The Port Authority and the Registrar may treat the person in whose name a Series 2019 Bond is registered in the bond register as the absolute owner of the Series 2019 Bond, whether the Series 2019 Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Series 2019 Bond and for all other purposes, and payments so made to a registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon the Series 2019 Bond to the extent of the sum or sums so paid.

(h) *Taxes, Fees, and Charges.* The Registrar may impose a charge upon the owner thereof for a transfer or exchange of Series 2019 Bond sufficient to reimburse the Registrar for any tax, fee, or other governmental charge required to be paid with respect to the transfer or exchange.

(i) *Mutilated, Lost, Stolen or Destroyed Series 2019 Bond.* If a Series 2019 Bond becomes mutilated or is destroyed, stolen, or lost, the Registrar shall deliver a new Series 2019 Bond of like amount, number, maturity date, and tenor in exchange and substitution for and upon cancellation of the mutilated Series 2019 Bond or in lieu of and in substitution for any Series 2019 Bond destroyed, stolen, or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in

the case of a Series 2019 Bond destroyed, stolen, or lost, upon filing with the Registrar of evidence satisfactory to it that the Series 2019 Bond was destroyed, stolen, or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance, and amount satisfactory to it and as provided by law, in which both the Port Authority and the Registrar must be named as obligees. Series 2019 Bonds so surrendered to the Registrar shall be cancelled by the Registrar and evidence of such cancellation shall be given to the City. If the mutilated, destroyed, stolen, or lost Series 2019 Bond has already matured or been called for redemption in accordance with its terms, it is not necessary to issue a new Series 2019 Bond prior to payment.

2.04. Execution, Authentication and Delivery. The Series 2019 Bonds shall be prepared under the direction of the Pricing Committee, provided that all signatures may be printed, engraved, or lithographed facsimiles of the originals. The Series 2019 Bonds are hereby authorized to be executed by the Chair and Secretary of the Port Authority, or their designee. If an officer whose signature or a facsimile of whose signature appears on the Series 2019 Bonds ceases to be such officer before the delivery of any Series 2019 Bond, that signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Series 2019 Bond shall not be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Series 2019 Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Series 2019 Bonds need not be signed by the same representative. The executed certificate of authentication on a Series 2019 Bond is conclusive evidence that it has been authenticated and delivered under this Resolution. When the Series 2019 Bonds have been so prepared, executed, and authenticated, the Port Authority shall deliver the same to the initial purchaser upon payment of the purchase price in accordance with the Bond Purchase Agreement heretofore made and executed, and the initial purchaser is not obligated to see to the application of the purchase price.

2.05. Temporary Series 2019 Bonds. The Port Authority may elect to deliver, in lieu of printed definitive Series 2019 Bonds, one or more typewritten temporary Series 2019 Bonds in substantially the form set forth in EXHIBIT A with such changes as may be necessary to reflect more than one maturity in a single temporary bond. Upon the execution and delivery of definitive Series 2019 Bonds, the temporary Series 2019 Bonds shall be exchanged therefore and cancelled.

### Section 3. Form of the Series 2019 Bonds.

3.01. Printing of Series 2019 Bonds. All of the provisions of each series of the Series 2019 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. Each series of the Series 2019 Bonds shall be substantially in the form attached to this Resolution as EXHIBIT A, 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 the Series 2019 Bonds, the stated maturities of each series of the Series 2019 Bonds, the interest rates on each series of the Series 2019 Bonds, the terms of redemption of each series of the Series 2019 Bonds, and variation from Port Authority policies regarding methods of offering general obligation bonds) as the Pricing Committee, in their discretion, shall determine and as memorialize on the Pricing Committee Certificate. The execution of each series of the Series 2019 Bonds with the manual or facsimile signatures of the Chair and Secretary, or their proper designees, and the

delivery of the Series 2019 Bonds by the Port Authority shall be conclusive evidence of such determination.

3.02. Approving Legal Opinion. The Secretary is authorized and directed to obtain a copy of the proposed approving legal opinion of Ballard Spahr LLP, as Bond Counsel, which shall be complete except as to dating thereof and cause the opinion to accompany each Series 2019 Bond.

Section 4. Payment; Security; Pledges and Covenants.

4.01. Bond Funds.

(a) Debt Service Fund. A “General Obligation Bonds (Hillcrest Redevelopment Project), Series 2019 Debt Service Fund” (the “Debt Service Fund”) is hereby created, with the following subaccounts; (i) the Series 2019-1 Debt Service Fund Subaccount, and (ii) the Series 2019-2 Debt Service Fund Subaccount. The proceeds of the ad valorem taxes hereinafter levied as described in this Resolution, are hereby pledged to the Series 2019-1 Debt Service Fund Subaccount and the Series 2019-2 Debt Service Fund Subaccount. If a payment of principal or interest on the Series 2019-1 Bonds or the Series 2019-2 Bonds becomes due when there is not sufficient money in the Series 2019-1 Debt Service Fund Subaccount or the Series 2019-2 Debt Service Fund Subaccount, as applicable, to pay the same, the Port Authority and the City will pay such principal or interest and be reimbursed for those advances out of the proceeds of the taxes levied by the Port Authority, without limitation as to rate or amount, by this Resolution, when collected.

(b) Project Fund. There is hereby created a special account to be designated as the “Series 2019 Project Fund” (the “Project Fund”), to be held and administered by the Port Authority separate and apart from all other funds of the Port Authority. Amounts on deposit in the Project Fund will be used solely to pay development costs authorized to be funded by the Port Authority under the terms of the Port Authority Act and to pay costs of issuance of the Series 2019 Bonds. When the identified future additional development costs are completed and the costs thereof paid, the Project Fund is to be closed and any remaining balance therein transferred to the Debt Service Fund.

(c) Use of Proceeds. On the date of issuance of the Series 2019 Bonds, the Port Authority shall:

(i) appropriate to the Debt Service Fund: (i) capitalized interest, if any, to be financed from Series 2019 Bond proceeds, in the amount determined by the Chief Financial Officer of the Port Authority; (ii) any original issue premium of the Series 2019 Bonds determined by the Chief Financial Officer of the Port Authority to be deposited therein; (iii) the accrued interest, if any, paid by the Underwriter upon closing and delivery of the Series 2019 Bonds; and (iv) any amounts necessary to pay the interest due on the Series 2019 Bonds on or prior to August 1, 2020; and

(ii) deposit to the Project Fund the proceeds of the Series 2019 Bonds, less the appropriations made in paragraph (c)(i) above, together with any other funds appropriated for the Project to the Project Fund to pay for the costs of the acquisition of the Project and the payment of the allocable costs of issuance for the Series 2019 Bonds.

(d) Arbitrage Restrictions. The money in the funds shall be used solely as provided herein, or to pay any rebate due to the United States. No portion of the proceeds of the Series 2019-2 Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (i) for a reasonable temporary period until such proceeds are needed for the purpose for which the Series 2019-2 Bonds are issued, and (ii) in addition to the amounts referred to in clause (i) in an amount not greater than \$100,000. To this effect, any proceeds of the Series 2019-2 Bonds and any sums from time to time held in the Series 2019-2 Debt Service Fund Subaccount allocated to the Series 2019-2 Bonds (or any other account which will be used to pay principal or interest to become due on the Series 2019-2 Bonds) in excess of amounts which, under then applicable federal arbitrage regulations, may be invested without regard as to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable “temporary periods” or “minor portion” made available under the federal arbitrage regulations. In addition, the proceeds of the Series 2019-2 Bonds and money allocated to the Series 2019-2 Bonds in the Series 2019-2 Debt Service Fund Subaccount shall not be invested in obligations or deposits issued by, guaranteed by, or insured by the United States of America, or any agency or instrumentality thereof, if and to the extent that such investment would cause the Series 2019-2 Bonds to be deemed to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(e) Allocation of Investment Earnings. Investment earnings, net of rebatable arbitrage, shall be credited to the fund or account from which the investment was made.

(f) Other Accounts and Subaccounts. The Port Authority is hereby authorized to create such accounts or subaccounts within the Project Fund and the Debt Service Fund (and accounts therein) to properly administer such funds and accounts and to assure compliance with the preceding paragraphs, and Section 6 hereof. Specifically, the Port Authority may create separate accounts and subaccounts to hold and apply the proceeds of the Series 2019 Bonds and revenues for the payment thereof.

#### 4.02. [Reserved].

4.03. Filing of Resolution. The Secretary of the Port Authority is authorized and directed to file a certified copy of this Resolution, as well as an originally executed copy of the Pricing Committee Certificate, with the Auditor of Ramsey County, Minnesota (the “Auditor”), together with such other information as he or she shall require, and to obtain the Auditor’s certificate that the Series 2019 Bonds have been entered in the Auditor’s bond register, and that the tax levy required by law and this Resolution has been made.

4.04. Pledge of Tax Levy. For the purpose of paying the principal of and interest on the Series 2019 Bonds, and in accordance with the Authorizing Ordinance, and as required by Section 469.060 of the Act, there is hereby levied by the Port Authority a direct annual irrepealable ad valorem tax (the “Tax”) upon all of the taxable property in the City, to be spread upon the tax rolls and collected with and as part of other general taxes of the City. The Tax will be credited to the Debt Service Fund and the applicable subaccounts in the Debt Service Fund in the amounts for each year calculated by the Pricing Committee and set forth the Certificate of the Pricing Committee.

4.05. Overlevy Requirement. It is determined that the estimated collection of the foregoing Tax will produce at least five percent (5%) in excess of the amount needed to meet,

when due, the principal and interest payments on the Series 2019 Bonds. The Tax so levied herein will be irrevocable until all of the Series 2019 Bonds are paid, provided that at the time the City makes its annual tax levies the City Clerk may certify to the Auditor (or the official of Ramsey County performing the functions of the Auditor) the amount available in the respective subaccount of the Debt Service Fund to pay principal and interest due during the ensuing year, and the Auditor will thereupon reduce the levy collectible during such year by the amount so certified.

4.06. General Obligation Pledge. If amounts on deposit in either of the subaccounts of the Debt Service Fund are not sufficient to pay principal and interest on the Series 2019-1 Bonds or the Series 2019-2 Bonds, as the same become due, the full faith and credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in either of the subaccounts of the Debt Service Fund are ever insufficient to pay all principal and interest then due on the Series 2019-1 Bonds or the Series 2019-2 Bonds payable therefrom, the deficiency shall be promptly paid out of any other funds of the Port Authority and the City will pay such principal or interest from the general fund of the City, and the general fund will be reimbursed for those advances out of the proceeds of the taxes levied by the Port Authority, without limitation as to rate or amount, by this Resolution, when collected.

#### Section 5. Authentication of Transcript.

5.01. Furnishing of Documents. The officers of the Port Authority are authorized and directed to prepare and furnish to the initial purchaser and to Ballard Spahr LLP, as bond counsel to the Port Authority, certified copies of proceedings and records of the Port Authority relating to the Series 2019 Bonds and to the financial condition and affairs of the Port Authority and/or the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Series 2019 Bonds, and such instruments, including any heretofore furnished, will be deemed representations of the Port Authority as to the facts stated therein.

5.02. Negotiated Sale. The Port Authority has retained the Municipal Advisor as an independent financial advisor, and the Port Authority has heretofore determined, and hereby determines, to sell the Series 2019 Bonds by private negotiation, all as provided by Section 475.60, Subdivision 2(9) of the Act. The Series 2019 Bonds are hereby authorized to be sold to the Underwriter subject to the requirements of this Resolution and the approval of the Pricing Committee.

5.03. Official Statement. The Municipal Advisor will prepare, with assistance from Port Authority staff, Bond Counsel, and the Underwriter, a Preliminary Official Statement to be used in the marketing of the Series 2019 Bonds. The President, Chief Financial Officer, and Controller of the Port Authority are authorized to take all necessary actions as required for the publication and approval of the Preliminary Official Statement. The use and distribution of the Preliminary Official Statement and of a final Official Statement (collectively, the "Official Statement") in connection with the offer and sale of the Series 2019 Bonds is hereby approved. The President and Chief Financial Officer (or their proper designees) are authorized and directed to certify that they have examined the Official Statement, and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement and that the Official Statement will not, at the date of closing, and did not, as of its date, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the

statements made therein, in the light of the circumstances under which they were made, not misleading.

Section 6. Tax Covenants relating to Series 2019-2 Bonds.

6.01. Tax-Exempt Series 2019-2 Bonds. The Port Authority covenants and agrees with the holders from time to time of the Series 2019-2 Bonds that it will not take or permit to be taken by any of its officers, employees, or agents any action which would cause the interest on the Series 2019-2 Bonds to become includable in gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become includable in gross income for federal income tax purposes under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Series 2019-2 Bonds.

6.02. Compliance with Code. The Port Authority will comply with requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Series 2019-2 Bonds under Section 103 of the Code, including, without limitation, requirements relating to temporary periods for investments and limitations on gross proceeds invested at a yield greater than the yield on the Series 2019-2 Bonds.

6.03. Not Private Activity Bonds. The Port Authority further covenants not to use the proceeds of the Series 2019-2 Bonds or to cause or permit them or any of them to be used in such a manner as to cause the Series 2019-2 Bonds to be deemed to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

6.04. Procedural Requirements. The Port Authority will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 7. Book-Entry System; Limited Obligation of City.

7.01. DTC. The Series 2019 Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Series 2019 Bond for each of the maturities set forth in the certificate of the Pricing Committee. Upon initial issuance, the ownership of each Series 2019 Bond will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns ("DTC"). Except as provided in this section, all of the outstanding Series 2019 Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

7.02. Participants. With respect to Series 2019 Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the Port Authority, the Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Series 2019 Bonds as securities depository ("Participants") or to any other person on behalf of which a Participant holds an interest in the Series 2019 Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of Cede & Co., DTC or any Participant with respect to any ownership interest in the Series 2019 Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Series 2019 Bonds, as shown

by the registration books kept by the Registrar), of any notice with respect to the Series 2019 Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Series 2019 Bonds, of any amount with respect to principal of, premium, if any, or interest on the Series 2019 Bonds. The Port Authority, the Registrar and the Paying Agent may treat and consider the person in whose name each Series 2019 Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Series 2019 Bond for the purpose of payment of principal, premium and interest with respect to such Series 2019 Bond, for the purpose of registering transfers with respect to such Series 2019 Bonds, and for all other purposes. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2019 Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the Port Authority's obligations with respect to payment of principal of, premium, if any, or interest on the Series 2019 Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Series 2019 Bond, as shown in the registration books kept by the Registrar, will receive a certificated Series 2019 Bond evidencing the obligation of this Resolution. Upon delivery by DTC to the Port Authority of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co." shall refer to such new nominee of DTC, and upon receipt of such a notice, the Port Authority shall promptly deliver a copy of the same to the Registrar and Paying Agent.

7.03. Representation Letter. The Port Authority has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the "Representation Letter") which shall govern payment of principal of, premium, if any, and interest on the Series 2019 Bonds and notices with respect to the Series 2019 Bonds. Any Paying Agent or Registrar subsequently appointed by the Port Authority with respect to the Series 2019 Bonds shall agree to take all action necessary for all representations of the Port Authority in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

7.04. Transfers Outside Book-Entry System. In the event the Port Authority, by resolution of the Board of Commissioners, determines that it is in the best interests of the persons having beneficial interests in the Series 2019 Bonds that they be able to obtain Series 2019 Bond certificates, the Port Authority will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Series 2019 Bond certificates. In such event the Port Authority will issue, transfer and exchange Series 2019 Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the Series 2019 Bonds at any time by giving notice to the Port Authority and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the Port Authority shall issue and the Registrar shall authenticate Series 2019 Bond certificates in accordance with this Resolution and the provisions hereof shall apply to the transfer, exchange and method of payment thereof.

7.05. Payments to DTC. Notwithstanding any other provision of this Resolution to the contrary, so long as a Series 2019 Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Series 2019 Bond and all notices with respect to the Series 2019 Bond shall be made and given, respectively, in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

Section 8. Defeasance. When all Series 2019 Bonds and all interest thereon have been discharged as provided in this section, all pledges, covenants and other rights granted by this Resolution to the holders of the Series 2019 Bonds will cease, except that the pledge of the City's full faith and credit by the Port Authority for the prompt and full payment of the principal of and interest on the Series 2019 Bonds will remain in full force and effect. The Port Authority may discharge all Series 2019 Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment, including interest earned thereon, in full of the Series 2019 Bonds. If any Series 2019 Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

Section 9. Bank Qualification. The Series 2019-2 Bonds may be designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code if determined by the Pricing Committee.

Section 10. Continuing Disclosure. In order to satisfy the continuing disclosure requirements of Rule 15c2-12(b)(5), 17 CFR §240, 15c2-12, promulgated by the Securities Exchange Commission under the Securities Exchange Act of 1934, as amended, the appropriate officials of the Port Authority are hereby authorized and directed to execute and deliver a continuing disclosure undertaking substantially in the form of the Continuing Disclosure Certificate set forth in the Official Statement (the "Continuing Disclosure Certificate"). The Continuing Disclosure Certificate is hereby approved with such changes, modifications, additions, and deletions as shall be necessary and appropriate and approved by the City Attorney and Ballard Spahr LLP, as bond counsel to the Port Authority.

Section 11. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity, or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this Resolution.

Section 12. Headings. Headings in this Resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

Section 13. Reimbursement. The Port Authority intends to make expenditures for the Project financed by the Series 2019-2 Bonds and reimburse such expenditures from the proceeds of the obligations. This resolution is intended to constitute a declaration of the Port Authority's official intent, for purposes of Section 1.150-2 of the Treasury Regulations, with respect to certain original expenditures made from any sources other than the proceeds of the obligations, in conjunction with the Project.

Adopted: June \_\_\_\_\_, 2019

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

ATTEST:

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

CERTIFICATION

I hereby certify that this is a true and correct copy, as on file with the Port Authority of the City of Saint Paul.

Dated: \_\_\_\_\_, 2019

(SEAL)

\_\_\_\_\_  
Notary Public  
Ramsey County of the State of Minnesota

**EXHIBIT A**

**FORM OF SERIES 2019-1 BOND**

No. R-\_\_\_\_\_

\$\_\_\_\_\_

**UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF RAMSEY**

**PORT AUTHORITY OF THE CITY OF SAINT PAUL  
TAXABLE GENERAL OBLIGATION BOND,  
(HILLCREST REDEVELOPMENT PROJECT)  
SERIES 2019-1**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
%	August 1, 20	_____, 2019	

Registered Owner: CEDE & CO.

Principal Amount: \_\_\_\_\_ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the Port Authority of the City of Saint Paul, Minnesota (the "Issuer"), certifies that it is indebted and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, on the Maturity Date specified above, with interest thereon from the date hereof at the annual rate specified above, payable February 1 and August 1 in each year, commencing [August 1, 2020], to the person in whose name this Series 2019-1 Bond is registered at the close of business on the fifteenth (15th) day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by U.S. Bank National Association, as Registrar, Paying Agent, Transfer Agent, and Authenticating Agent, or its designated successor under the Resolutions described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged by the Port Authority.

[Optional redemption provisions to be added]

This Series 2019-1 Bond is one of an issue in the aggregate principal amount of \$\_\_\_\_\_, all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to an Ordinance of the City Council of the City of Saint Paul, Minnesota, adopted on July 17, 2019 and a resolution of the Board of Commissioners of the Issuer adopted on June \_\_\_\_, 2019 (collectively, the "Resolution"), for the purpose of providing money to: (i) finance the purchase of, remediate, better, and improve the former Hillcrest Golf Course site located at 2200 Larpenteur Avenue East, in the City in order to remediate the marginal property currently known as Hillcrest Golf Course in preparation for redevelopment, (2) pay for other purposes set forth in Minnesota Statutes, Sections 469.048 to

469.068, as amended (the "Port Authority Act"), and (iii) pay costs of issuance of the Series 2019 Bonds. The principal hereof and interest hereon are payable primarily from ad valorem taxes, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Series 2019-1 Bond and the Port Authority and the City have obligated itself to levy additional ad valorem taxes on all taxable property in the City in the event of any deficiency, which additional taxes may be levied without limitation as to rate or amount. The Series 2019-1 Bonds are issued only as fully registered bonds in denominations of \$5,000 or any integral multiple thereof of single maturities. The interest on this Series 2019-1 Bond shall be calculated on the basis of a year of 360 days and twelve 30-day months.

As provided in the Resolution and subject to certain limitations set forth therein, this Series 2019-1 Bond is transferable upon the books of the Port Authority at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Series 2019-1 Bonds of other authorized denominations. Upon such transfer or exchange the Port Authority will cause a new Series 2019-1 Bond or Series 2019-1 Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The Port Authority and the Registrar may deem and treat the person in whose name this Series 2019-1 Bond is registered as the absolute owner hereof, whether this Series 2019-1 Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the Port Authority nor the Registrar will be affected by any notice to the contrary.

This Series 2019-1 Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Registrar by manual signature of one of its authorized representatives.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Series 2019-1 Bond in order to make it a valid and binding general obligation of the Port Authority in accordance with its terms, have been done, do exist, have happened and have been performed as so required, and that the issuance of this Series 2019-1 Bond does not cause the indebtedness of the Port Authority to exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the Port Authority of the City of Saint Paul, Minnesota, by its Board of Commissioners has caused this Series 2019-1 Bond to be executed on its behalf by the facsimile signature of its Chair, attested by the facsimile signature of its Secretary

**PORT AUTHORITY OF THE CITY OF SAINT  
PAUL, MINNESOTA**

\_\_\_\_\_  
Chair or Designee

Attest:

\_\_\_\_\_  
Secretary or Designee

(The remainder of this page is intentionally left blank.)

**CERTIFICATE OF AUTHENTICATION**

This is one of the Series 2019-1 Bonds delivered pursuant to the Resolution mentioned within.

**U.S. BANK NATIONAL ASSOCIATION**

By \_\_\_\_\_  
Authorized Official

**ABBREVIATIONS**

The following abbreviations, when used in the inscription on the face of this Series 2019-1 Bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common	UNIF GIFT MIN ACT
TEN ENT -- as tenants by entireties	_____ Custodian _____ (Cust) _____ (Minor)
JT TEN — as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts or Transfers to Minors Act, State of _____

Additional abbreviations may also be used though not in the above list.

(The remainder of this page is intentionally left blank.)

**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Series 2019-1 Bond and all rights thereunder, and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the said Series 2019-1 Bond on the books kept for registration of the within Series 2019-1 Bond, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Notice: The assignor’s signature to this assignment must correspond with the name as it appears upon the face of the within Series 2019-1 Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

\_\_\_\_\_

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program (“STAMP”), the Stock Exchange Medallion Program (“SEMP”), the New York Stock Exchange, Inc. Medallion Signatures Program (“MSP”) or other such “signature guarantee program” as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Registrar will not effect transfer of this Series 2019-1 Bond unless the information concerning the assignee requested below is provided.

Name and Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Include information for all joint owners if  
this Series 2019-1 Bond is held by joint account.)

Please insert social security or other identifying number of assignee

\_\_\_\_\_

(The remainder of this page is intentionally left blank.)

**EXHIBIT B**

**FORM OF SERIES 2019-2 BOND**

No. R- \_\_\_\_\_

\$ \_\_\_\_\_

**UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF RAMSEY**

**PORT AUTHORITY OF THE CITY OF SAINT PAUL  
TAX-EXEMPT GENERAL OBLIGATION BOND,  
(HILLCREST REDEVELOPMENT PROJECT)  
SERIES 2019-2**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
%	August 1, 20	_____, 2019	

Registered Owner: CEDE & CO.

Principal Amount: \_\_\_\_\_ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the Port Authority of the City of Saint Paul, Minnesota (the "Issuer"), certifies that it is indebted and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, on the Maturity Date specified above, with interest thereon from the date hereof at the annual rate specified above, payable February 1 and August 1 in each year, commencing [August 1, 2020], to the person in whose name this Series 2019-2 Bond is registered at the close of business on the fifteenth (15th) day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by U.S. Bank National Association, as Registrar, Paying Agent, Transfer Agent, and Authenticating Agent, or its designated successor under the Resolutions described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged by the Port Authority.

[Optional redemption provisions to be provided]

This Series 2019-2 Bond is one of an issue in the aggregate principal amount of \$\_\_\_\_\_, all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to an Ordinance of the City Council of the City of Saint Paul, Minnesota, adopted on June 17, 2019 and a resolution of the Board of Commissioners of the Issuer adopted on June \_\_\_\_, 2019, (collectively, the "Resolution"), for the purpose of providing money to: (i) finance the purchase of, remediate, better, and improve the former Hillcrest Golf Course site located at 2200 Larpenteur Avenue East, in the City in order to remediate the marginal property currently known as Hillcrest Golf Course in preparation for redevelopment, (2) pay for other purposes set forth in Minnesota Statutes, Sections 469.048 to 469.068, as amended (the "Port Authority Act"), and (iii) pay costs of issuance of the Series 2019 Bonds. The principal hereof and interest hereon are payable primarily from ad valorem

taxes, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Series 2019-2 Bond and the Port Authority and the City have obligated itself to levy additional ad valorem taxes on all taxable property in the City in the event of any deficiency, which additional taxes may be levied without limitation as to rate or amount. The Series 2019-2 Bonds are issued only as fully registered bonds in denominations of \$5,000 or any integral multiple thereof of single maturities. The interest on this Series 2019-2 Bond shall be calculated on the basis of a year of 360 days and twelve 30-day months.

As provided in the Resolution and subject to certain limitations set forth therein, this Series 2019-2 Bond is transferable upon the books of the Port Authority at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Series 2019-2 Bonds of other authorized denominations. Upon such transfer or exchange the Port Authority will cause a new Series 2019-2 Bond or Series 2019-2 Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The Port Authority and the Registrar may deem and treat the person in whose name this Series 2019-2 Bond is registered as the absolute owner hereof, whether this Series 2019-2 Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the Port Authority nor the Registrar will be affected by any notice to the contrary.

This Series 2019-2 Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Registrar by manual signature of one of its authorized representatives.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Series 2019-2 Bond in order to make it a valid and binding general obligation of the Port Authority in accordance with its terms, have been done, do exist, have happened and have been performed as so required, and that the issuance of this Series 2019-2 Bond does not cause the indebtedness of the Port Authority to exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the Port Authority of the City of Saint Paul, Minnesota, by its Board of Commissioners has caused this Series 2019-2 Bond to be executed on its behalf by the facsimile signature of its Chair, attested by the facsimile signature of its Secretary.

**PORT AUTHORITY OF THE CITY OF SAINT  
PAUL, MINNESOTA**

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Chair or Designee

Attest:

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Secretary or Designee

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**CERTIFICATE OF AUTHENTICATION**

This is one of the Series 2019-2 Bonds delivered pursuant to the Resolution mentioned within.

**U.S. BANK NATIONAL ASSOCIATION**

By \_\_\_\_\_  
Authorized Official

**ABBREVIATIONS**

The following abbreviations, when used in the inscription on the face of this Series 2019-2 Bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common	UNIF GIFT MIN ACT
TEN ENT -- as tenants by entireties	_____ Custodian _____ (Cust) (Minor)
JT TEN — as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts or Transfers to Minors Act, State of _____

Additional abbreviations may also be used though not in the above list.

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**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Series 2019-2 Bond and all rights thereunder, and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the said Series 2019-2 Bond on the books kept for registration of the within Series 2019-2 Bond, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Series 2019-2 Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

\_\_\_\_\_

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Registrar will not effect transfer of this Series 2019-2 Bond unless the information concerning the assignee requested below is provided.

Name and Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Include information for all joint owners if  
this Series 2019-2 Bond is held by joint account.)

Please insert social security or other identifying number of assignee

\_\_\_\_\_

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