

ORDINANCE #65308
Board Bill No. 178

An ordinance recommended by the Board of Estimate and Apportionment authorizing and directing the St. Louis Municipal Finance Corporation (the "Corporation") to issue and sell its Down Payment Assistance Note, Series 2001 (the "Series 2001 Note"), in a principal amount not to exceed Six Hundred Thousand Dollars (\$600,000), in order to provide additional funds for a down payment assistance program for single family residences in the City of St. Louis, on behalf of, and all for the general welfare, safety and benefit of, the citizens of the City of St. Louis, Missouri (the "City"); authorizing and directing the Corporation to execute and deliver the Amended and Restated Master Note Purchase Agreement (the "Note Purchase Agreement"), the Amended and Restated Custody and Disbursing Agent Agreement (the "Custody Agreement") and the Series 2001 Note; authorizing the City to execute the Note Purchase Agreement and the Custody Agreement; directing that the Reserve Amount listed therein be from funds released from the Note Reserve Account for the Series 2000 Note to be deposited in the 2001 Note Reserve Account with the Custodian and administered as provided in the Custody Agreement; and authorizing the Comptroller and any other appropriate City officials, if necessary, to execute such documents related thereto; and authorizing and directing the taking of other actions, approval and execution of other documents as necessary or desirable to carry out and comply with the intent hereof.

WHEREAS, the City is authorized pursuant to its charter to do all things whatsoever expedient for promoting or maintaining the comfort, education, morals, peace, government, health, welfare, trade, commerce or manufactures of the City or its inhabitants; and

WHEREAS, in order to alleviate the existing shortage of decent, safe and sanitary residential housing available at affordable prices within the City, the Board of Aldermen by Ordinance No. 64786 has approved, in cooperation with the Corporation and Fannie Mae, the Down Payment Assistance Program; and

WHEREAS, the Corporation has previously issued its Down Payment Assistance Note, Series 2000 (the "Series 2000 Note"), in the principal amount of \$1,250,000 and a portion of the proceeds of the sale of such Series 2000 Note remain in the Note Funding Account; and

WHEREAS, the Board of Aldermen of the City has determined that to this end it is appropriate for the City to authorize the deposit of certain funds of the City released from the Program's Note Reserve Account because of the prepayment of certain amounts on the Series 2000 Note and by this Ordinance is appropriating such funds to be deposited in the 2001 Note Reserve Account; and

WHEREAS, the Board of Aldermen hereby finds and determines that the continuation of the Down Payment Assistance Program and the funding of the 2001 Note Reserve Account furthers a valid public purpose; and

WHEREAS, it is necessary and desirable in connection with the Program for the City and the Corporation to enter into the Note Purchase Agreement, the Custody Agreement; and execute certain other documents, take certain other actions and approve certain other documents, as herein provided.

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:

Section 1. Definitions. Capitalized terms used herein and not defined in this Ordinance shall have the meanings ascribed to such terms in the Note Purchase Agreement or the Custody Agreement.

Section 2. Findings and Determinations. The Board of Aldermen hereby finds and determines that it is necessary and in the best interests of the City to authorize and direct the Corporation to issue its Down Payment Assistance Note, Series 2001, to provide additional funds for the Down Payment Assistance Program and to pay reasonable expenses, if any, incurred by the Corporation and City in connection with the issuance and sale of the Series 2001 Note;

Section 3. Authority and Direction to Issue Series 2001 Note. The City hereby authorizes and directs the Corporation to issue up to Six Hundred Thousand Dollars (\$600,000) of notes pursuant to the provisions of the Note Purchase Agreement, entitled Down Payment Assistance Note, Series 2001 (the Series 2001 Note), on behalf of the City, for the purpose of providing additional funds for the Down Payment Assistance Program and pay any related costs thereto. The Series 2001 Note (i) shall have a final maturity not more than 11 1/2 years from its date of issuance, (ii) shall bear a fixed rate of interest of not more than 8%, and (iii) shall be sold for the par amount thereof.

Section 4. Limited Obligations. The Series 2001 Note and the interest thereon shall be limited obligations payable by the Corporation solely from the Accounts established in and as provided in the Custody Agreement. The Series 2001 Note and the interest thereon shall not constitute an indebtedness of the City or State of Missouri within the meaning of any constitutional or statutory debt limitation or restriction. The issuance of the Series 2001 Note will not directly or contingently obligate the City to make any payments beyond those appropriated for its then current fiscal year. The terms and provisions of the Series 2001 Note shall be as provided for in the Note Purchase Agreement.

Section 5. Authority and Direction to Execute and Deliver Certain Documents. In connection with the issuance of the Series 2001 Note, the City hereby authorizes and directs the Corporation to execute and deliver the Note Purchase Agreement and the Custody Agreement, in substantially the forms attached hereto as Exhibit A and Exhibit B respectively, with such changes as may be approved by the City, the City's execution and delivery of the Note Purchase Agreement and the Custody Agreement. The City hereby authorizes and directs the Corporation to execute and deliver the Note Purchase Agreement, the Series 2001 Note and the Custody Agreement with such changes as may be approved by the Corporation, the Corporation's execution and delivery thereof to evidence such approval.

Section 6. Authority and Direction to Sell the Series 2001 Note in a Negotiated Sale. In connection with the issuance of the Series 2001 Note, the City hereby authorizes and directs the Corporation to negotiate the sale thereof with Fannie Mae, subject to the provisions of this Ordinance.

Section 7. Authorization with Respect to Execution and Delivery of Documents. The Note Purchase Agreement and the Custody Agreement substantially in the forms attached hereto as Exhibits A and B respectively, are hereby approved, and the Mayor and Comptroller of the City are hereby authorized and directed to execute, acknowledge and deliver the Note Purchase Agreement and the Custody Agreement in substantially such forms, with such changes therein and the completions and modifications thereof not inconsistent with the provisions of this Ordinance as the Mayor and Comptroller shall approve and which the City Counselor shall approve as to form, and the Register of the City is hereby authorized and directed to affix the corporate seal of the City thereto and to attest the same and the signature of the Mayor and the Comptroller shall be conclusive as to their approval of such changes or modifications by the City.

Section 8. Appropriation of City Funds to Note Reserve Fund. The Board of Aldermen hereby directs that an amount equal to 25% of the principal amount of the note plus a reasonable amount for costs of issuance of the Series 2001 Note from funds released from the Note Reserve Account as a result of the prepayment of a portion of the Series 2000 Note be deposited into the 2001 Note Reserve Account and used to pay costs of issuance of the Series 2001 Note. Amounts deposited to the 2001 Note Reserve Account shall be used as a reserve fund for the Series 2001 Note and administered pursuant to provisions of the Custody Agreement.

Section 9. Further Authority. The City and the Mayor, the Comptroller, the Treasurer (as to permitted investments only) and other appropriate officers, agents and employees of the City are hereby authorized to take such further actions and execute such other documents as may be necessary or desirable to carry out and comply with the intent of this Ordinance, and to carry out, comply with and perform the duties of the City with respect to the Amended and Restated Master Note Purchase Agreement and the Custody Agreement.

Section 10. Incorporation of Exhibits. All exhibits attached to this Ordinance are hereby incorporated herein by this reference as if such exhibits are fully set forth herein.

EXHIBIT A
AMENDED AND RESTATED MASTER NOTE PURCHASE AGREEMENT
(TO BE SUPPLIED LATER)

EXHIBIT B
AMENDED AND RESTATED CUSTODY AND DISBURSING AGENT AGREEMENT
(TO BE SUPPLIED LATER)

See attached **Exhibits A** (Restated Master Note Purchase Agreement) and **Exhibit B** (Restated Custody and Disbursing Agent Agreement) on file in the Register's office.

Approved: November 6, 2001