

ORDINANCE #67495
Board Bill No. 51

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 the Corporation's Recreation Sales Tax Leasehold Revenue Bonds (City of St. Louis, Missouri, Lessee), Series 2007 (the "Series 2007 Bonds") in an aggregate principal amount not to exceed \$65,000,000, in order to fund all or a portion of the design and construction of two (2) new recreation centers and the renovation of several existing recreation centers (collectively, the "Project") located within the boundaries of the City of St. Louis, Missouri (the "City"), for the general welfare, safety and benefit of the citizens of the City; authorizing and directing the Corporation to execute and deliver the Indenture, the Base Lease, the Lease Purchase Agreement, the Tax Compliance Agreement, the Official Statement, and the Bond Purchase Agreement (all as defined herein); authorizing the City to execute the Base Lease, the Lease Purchase Agreement, the Continuing Disclosure Agreement, the Tax Compliance Agreement, the Official Statement, and the Bond Purchase Agreement, if any (all as defined herein); providing for a debt service reserve fund for the Series 2007 Bonds, if any; providing for a capitalized interest account for the Series 2007 Bonds, if any; authorizing the Corporation and the City to obtain credit enhancement for the Series 2007 Bonds from a Credit Provider, authorizing the payment of any obligations due to a Credit Provider, if any, and authorizing the Comptroller and any other appropriate City officials to execute the Credit Agreement and other documents related thereto, if any; authorizing participation of appropriate City officials in preparing the Official Statement; authorizing the acceptance of the terms of the Bond Purchase Agreement and the taking of further actions with respect thereto; authorizing the payment of certain costs of issuance of the Series 2007 Bonds; authorizing and directing the taking of other actions and approval and execution of other documents as necessary or desirable to carry out and comply with the intent hereof; superseding provisions of prior ordinances of the City to the extent inconsistent with the terms hereof; and containing an emergency clause.

WHEREAS, pursuant to Sections 644.032 and 644.033, Revised Statutes of Missouri, the voters of the City on November 7, 2006, approved the collection of a one-eighth cent sales tax for the purpose of providing for local parks, and specifically, funding for the construction and maintenance of new and existing recreation centers and recreation programs in parks (the "Recreation Sales Tax"); and

WHEREAS, by Ordinance No. 67195, the Board of Aldermen of the City has established a special trust fund known as the "Local Park Fund" to be used to fund local parks, to be funded from, among other sources, the Recreation Sales Tax, and intends to use funds in such Local Park Fund, among other uses, to appropriate funds to pay principal of, interest on, and premium on the Series 2007 Bonds; and

WHEREAS, the City has determined that it is in the best interest of the City to direct the Corporation to issue and sell the Series 2007 Bonds to fund all or a portion of the costs of the Project through a negotiated sale; and

WHEREAS, it is necessary and desirable in connection with the issuance of the Series 2007 Bonds for the City and/or the Corporation to execute and deliver certain documents and take certain other actions 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 otherwise defined in this Ordinance or the preambles hereto shall have the meanings ascribed to such terms in the Indenture. As used in this Ordinance, the following words shall be defined as follows:

"Additional Rentals" shall have the meanings ascribed to such term in the Lease Purchase Agreement.

"Base Lease" means the Base Lease, between the City, as lessor, and the Corporation, as lessee, as may be amended and supplement in accordance with the terms thereof, pursuant to which the City has conveyed a leasehold interest in the Property to the Corporation.

"Bond Purchase Agreement" means the Bond Purchase Agreement or Bond Purchase Agreements related to the issuance and sale of the Series 2007 Bonds.

"Bonds" means the Series 2007 Bonds, and any and all other bonds issued by the Corporation pursuant to and under the Indenture.

"City Documents" means the Base Lease, the Lease Purchase Agreement, the Credit Agreement, if any, the Continuing

Disclosure Agreement, the Bond Purchase Agreement, and the Tax Compliance Agreement, and such other documents, certificates, and instruments as may be necessary or desirable to facilitate the issuance of the Series 2007 Bonds and to carry out and comply with the intent of this Ordinance.

“**Continuing Disclosure Agreement**” means the Continuing Disclosure Agreement with respect to the Series 2007 Bonds.

“**Corporation Documents**” means the Trust Indenture, the Base Lease, the Lease Purchase Agreement, the Bond Purchase Agreement, and the Tax Compliance Agreement, and such other documents, certificates, and instruments as may be necessary or desirable to facilitate the issuance of the Series 2007 Bonds and to carry out and comply with the intent of this Ordinance.

“**Credit Agreement**” means any agreement by and between the Credit Provider and the City providing for Credit Enhancement.

“**Credit Enhancement**” means a letter of credit, liquidity facility, a surety bond, or bond insurance policy or policies, issued by a Credit Provider guaranteeing, providing for, or insuring the payment of all or a portion of the principal of and interest on one or more series of Bonds as provided therein.

“**Credit Provider**” means the issuer or issuers of the Credit Enhancement, if any, pursuant to or identified in the Indenture.

“**Financial Advisor**” means P.G. Corbin & Company, Inc., the financial advisor to the City with respect to the Series 2007 Bonds.

“**Indenture**” means the Trust Indenture between the Corporation and the Trustee, as may be further amended pursuant to the terms thereof, pursuant to which the Bonds are issued.

“**Lease Purchase Agreement**” means the Lease Purchase Agreement between the Corporation, as lessor, and the City, as lessee, as may be amended pursuant to the terms thereof, pursuant to which the Corporation has conveyed a leasehold interest in the Property to the City, and the City has leased the Property, together with any improvements thereon, from the Corporation and agreed to pay Rentals and Additional Rentals, subject to annual appropriation, equal to the principal and interest due on the Bonds.

“**Official Statement**” means the Preliminary Official Statement or Statements, and the final Official Statement or Statements, prepared in connection with the issuance, sale, and delivery of the Series 2007 Bonds.

“**Property**” means the real and personal property described in the Lease Purchase Agreement together with any improvements constructed thereon.

“**Rentals**” shall have the meanings ascribed to such term in the Lease Purchase Agreement.

“**Series 2007 Bonds**” means the Series 2007 Bonds authorized pursuant to the Indenture.

“**Tax Compliance Agreement**” means the Tax Compliance Agreement entered into by and among the City, the Corporation, and the Trustee.

“**Trustee**” means UMB Bank, N.A., St. Louis, Missouri, as trustee or any successor thereto under the Indenture.

“**Underwriters**” means the underwriters with respect to the Series 2007 Bonds.

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:

(a) to authorize and direct the Corporation to issue, if market conditions warrant, the Series 2007 Bonds (i) to fund all or a portion of the costs of the Project, (ii) to fund a capitalized interest account for the Series 2007 Bonds, if any; (iii) to provide funding for a debt service reserve fund, if any, and/or the purchase of Credit Enhancement for the Series 2007 Bonds, and (iv) to pay reasonable expenses incurred by the Corporation and the City in connection with the issuance and sale of the Series 2007 Bonds; and to authorize and direct the Corporation to enter into a negotiated sale of the Series 2007 Bonds to the Underwriters.

Section 3. Authority and Direction to Issue the Series 2007 Bonds. The City hereby authorizes and directs the Corporation, if market conditions warrant, to issue the Corporation's Recreation Sales Tax Leasehold Revenue Bonds (City of St. Louis, Missouri, Lessee), Series 2007, in an aggregate principal amount not to exceed \$65,000,000 (the "Series 2007 Bonds") on behalf of the City for the purposes set forth in Section 2 hereof. The Series 2007 Bonds (i) shall have a final maturity not more than 30 years from their date of issuance, (ii) shall bear a fixed rate of interest of not more than 10%, and (iii) may be sold at a premium or at a discount with such discount not to exceed the maximum discount allowable under Missouri law. The terms and provisions of the Series 2007 Bonds shall be as provided in the Indenture.

Section 4. Limited Obligations. The Series 2007 Bonds and the interest thereon shall be limited obligations payable by the Corporation solely from (i) proceeds of the Series 2007 Bonds, (ii) Rentals and Additional Rentals received from the City by the Corporation, or by the Trustee on behalf of the Corporation, and reasonably expected to be used to pay debt service on the Series 2007 Bonds pursuant to the Lease Purchase Agreement, (iii) amounts available in the debt service reserve fund, if any, and (iv) amounts payable by any Credit Provider in connection with the Credit Enhancement on the Series 2007 Bonds. The City hereby agrees that during each fiscal year or portion thereof in which the Bonds remain outstanding, the City will not use Recreation Sales Tax revenues on deposit in the Local Park Fund in the then-current fiscal year for any purpose other than making payments of Rentals and Additional Rentals during such then-current fiscal year unless such payments of Rentals and Additional Rentals, if any, have been provided for. The Bonds and the interest thereon do not and shall not constitute an indebtedness of the City or the State of Missouri or any instrumentality thereof within the meaning of any constitutional or statutory debt limitation or restriction. The obligation of the City to make payments of Rentals and Additional Rentals and other amounts under the Lease Purchase Agreement is subject to annual appropriation as provided therein. Neither the obligation of the City to make such payments under the Lease Purchase Agreement nor the Bonds does or shall constitute a debt of the City. The issuance of the Series 2007 Bonds will not directly or contingently obligate the City to make any payments beyond those appropriated for its then current fiscal year.

Section 5. Authority and Direction to Execute and Deliver Corporation Documents. In connection with the issuance of the Series 2007 Bonds, the City hereby authorizes and directs the Corporation to execute and deliver the Corporation Documents, in forms that are consistent with the provisions of this Ordinance, and as such Corporation Documents are approved by the City Counselor and, with the advice of the Underwriters and the Financial Advisor, the appropriate officers of the Corporation executing such documents, with the respective signatures of such officers thereon to be evidence of the approval of the Corporation.

Section 6. Authority and Direction to Sell the Series 2007 Bonds in a Negotiated Sale. In connection with the issuance of the Series 2007 Bonds, the City hereby authorizes and directs the Corporation to negotiate the sale thereof with the Underwriters, subject to the provisions of this Ordinance. The City further hereby authorizes and directs the Corporation to prepare, at the request of the Underwriters, the Official Statement; to execute and deliver the final Official Statement; and to execute and deliver the Bond Purchase Agreement and any and all related documents, all in connection with such negotiated sale of the Series 2007 Bonds.

Section 7. Authority and Direction to Obtain Credit Enhancement. The City hereby authorizes the Corporation to obtain Credit Enhancement for the Series 2007 Bonds from a Credit Provider with such credit rating that, in the opinion of the Underwriters and the Financial Advisor, will achieve an economic benefit for the City if the Series 2007 Bonds are secured by such Credit Enhancement. Any Credit Agreement executed in connection therewith may pledge Rentals and Additional Rentals on a parity basis to payment of (i) debt service on the Bonds, and (ii) any amounts due and owing to the Credit Provider under the Credit Agreement. The Comptroller is hereby authorized to approve the terms of any such Credit Agreement, and the Comptroller, with the advice of the City Counselor as to form thereof, is hereby authorized and directed to execute such Credit Agreement and other documents in connection therewith as required to obtain the Credit Enhancement.

Section 8. Authority and Direction to Execute and Deliver City Documents. The City hereby authorizes and directs the Mayor and the Comptroller of the City to execute and deliver the City Documents in forms that are consistent with the provisions of this Ordinance, as such City Documents are approved by the Mayor and the Comptroller with the advice of the Underwriters and the Financial Advisor, and as are approved as to form by the City Counselor, with the respective signatures of such officials thereon to be evidence of the approval of the City; and the Register of the City is hereby authorized and directed to affix the corporate seal of the City to the City Documents and to attest the same.

Section 9. Authorization with Respect to Sale of the Series 2007 Bonds. The Mayor, the Comptroller, and other appropriate officers, agents, and employees of the City are hereby authorized and directed to participate with the Corporation in the preparation of the Official Statement; the Mayor and the Comptroller are hereby authorized and directed to execute and deliver the final Official Statement in a form that is consistent with the provisions of this Ordinance, as is approved by the Mayor and the

Comptroller with the advice of the Underwriters and the Financial Advisor, and as is approved as to form by the City Counselor, with the respective signatures of the Mayor and the Comptroller thereon to be evidence of the approval of the City.

Section 10. Further Authority. The Mayor, the Comptroller, the Treasurer (as to permitted investments only), the Register, 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 City Documents, and the Official Statement.

Section 11. Superseding of Inconsistent Provisions. The provisions of this Ordinance hereby amend any provision of any ordinance of the City inconsistent with the terms hereof, but only to the extent of such inconsistency.

Section 12. Emergency Clause. The passage of this Ordinance shall be and is hereby declared to be an emergency measure within the meaning of Article IV, Sections 19 and 20, of the Charter of the City of St. Louis, and, as such, this Ordinance shall take effect immediately upon its approval by the Mayor.

Approved May 31, 2007