BOARD BILL # 29 INTRODUCED BY ALDERMAN STEPHEN CONWAY

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 City Justice Center Leasehold Revenue Refunding Bonds, Series 2006 (the "Series 2006 Bonds") in an aggregate principal amount of not to exceed $26,000,000 in order to refund all or a portion of its City Justice Center Leasehold Revenue Improvement Bonds, Series 1996A and its City Justice Center Leasehold Revenue Improvement and Refunding Bonds, Series 1996B (collectively, the "Refunded Bonds"), and, if desirable, to redeem a portion of its City Justice Center Leasehold Revenue Improvement Bonds, Series 2000A (the "Redeemed Bonds"), 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 Fifth Supplemental Indenture of Trust, the Third Supplemental Base Lease, if any, the Third Supplemental Lease Agreement, if any, the Tax Compliance Agreement, the Official Statement, the Bond Purchase Agreement, and the Escrow Agreement, if any; authorizing the City to execute the Third Supplemental Base Lease, if any, the Third Supplemental Lease Agreement, if any, the Second Supplemental Pledge Agreement, if any, the Continuing Disclosure Agreement, the Tax Compliance Agreement, the Official Statement, the Bond Purchase Agreement, and the Escrow Agreement, if any; authorizing the Corporation and the City to obtain credit enhancement for the Series 2006 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 thereof; 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; repealing ordinances of the City to the extent inconsistent with the terms hereof; and containing an emergency clause.

WHEREAS, the Board of Aldermen of the City has previously authorized and directed the issuance by the Corporation of the Refunded Bonds pursuant to the herein defined Indenture to finance completion of the Project (as defined in the Indenture);

WHEREAS, the Board of Aldermen of the City has previously authorized and directed the issuance by the Corporation of the Refunded Bonds and the Redeemed Bonds pursuant to the herein defined Indenture to finance completion of the Project (as defined in the Indenture);

WHEREAS, the City has determined that it is in the best interest of the City to authorize and direct the Corporation to issue bonds for the purpose of refunding the Refunded Bonds and redeeming the Redeemed Bonds;

WHEREAS, the Board of Aldermen of the City has heretofore pledged as security for the Bonds certain State Reimbursements (as hereinafter defined) paid to the City as provided in the Pledge Agreement; and

WHEREAS, it is necessary and desirable in connection with the issuance of the Series 2006 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. **<u>Definitions</u>**. Capitalized terms used herein and not defined in this Ordinance shall have the meanings ascribed to such terms in the Indenture. As used in this Ordinance, the following words shall be defined as follows:

"**Base Lease**" means the Base Lease, between the City and the Corporation, as lessor, dated as of August 1, 1996, as amended and supplemented by the First Supplemental Base Lease dated as of February 1, 2000, the Second Supplemental Base Lease dated as of September 1, 2005, and the Third Supplemental Base Lease, if any, and as may be further amended and supplement pursuant to 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 2006 Bonds.

"Bonds" means the Refunded Bonds, the Redeemed Bonds, the Series 2006 Bonds, and any and all other bonds issued by the Corporation pursuant to and under the Indenture.

"City Documents" means the Third Supplemental Base Lease, if any, the Third Supplemental Lease Agreement, if any, the Second Supplemental Pledge Agreement, if any, the Escrow 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 2006 Bonds and to carry out and comply with the intent of this Ordinance.

"**City Justice Center**" means the City Justice Center located on the real property described on Tract II of Schedule I to the Lease Agreement, and situated in the City, and any other real or personal property hereafter acquired by the Corporation and leased by the

Corporation to the City pursuant to the Lease Agreement with respect to the City Justice Center, and appurtenant easements, rights-of-way, improvements, paving, and personal property necessary, convenient, and appurtenant thereto, and any modifications, alterations, or changes in, on, or to the foregoing, or any repairs thereto or thereof.

"Corporation Documents" means the Fifth Supplemental Indenture, the Third Supplemental Base Lease, if any, the Third Supplemental Lease Agreement, if any, the Bond Purchase Agreement, the Escrow Agreement, if any, 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 2006 Bonds and to carry out and comply with the intent of this Ordinance.

"**Credit Agreement**" means any agreement by and among the Credit Provider, the City, and the Corporation 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 Fifth Supplemental Indenture.

"**Escrow Agreement**" means the Escrow Agreement, if any, among the City, the Corporation and UMB Bank, N.A., as escrow agent.

"Fifth Supplemental Indenture" means the Fifth Supplemental Indenture of Trust between the Corporation and the Trustee, securing the Series 2006 Bonds.

"**Financial Advisor**" means P.G. Corbin & Company, Inc., the financial advisor to the City with respect to the Series 2006 Bonds.

"Indenture" means the Indenture of Trust between the Corporation and the Trustee, dated as of August 1, 1996, as amended and supplemented by the First Supplemental Indenture of Trust dated as of August 1, 1996, the Second Supplemental Indenture of Trust dated as of February 1, 2000, the Third Supplemental Indenture of Trust dated as of September 1, 2001, the Fourth Supplemental Indenture of Trust dated as of September 1, 2005, and the Fifth Supplemental Indenture of Trust, and as may be further amended pursuant to the terms thereof.

"**Lease Agreement**" means the Lease Purchase Agreement between the Corporation and the City, dated as of the August 1, 1996, as amended and supplemented by the First Supplemental Lease Agreement dated as of February 1, 2000, the Second Supplemental Lease Agreement dated as of September 1, 2005, and the Third Supplemental Lease Agreement, if any, and as may be further 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 2006 Bonds.

"**Pledge Agreement**" means the Pledge Agreement between the City and the Trustee, dated as of August 1, 1996, as amended and supplemented by the First Supplemental Pledge

Agreement dated as of September 1, 2005, and the Second Supplemental Pledge Agreement, if any, and as may be further amended pursuant to the terms thereof.

"**Pledged Revenues**" means State Reimbursements pledged under the Pledge Agreement.

"**Property**" means the real and personal property described on Revised Schedule I to the Lease Agreement together with any improvements constructed thereon.

"**Redeemed Bonds**" means a portion of the outstanding St. Louis Municipal Finance Corporation City Justice Center Leasehold Revenue Improvement Bonds, Series 2000A, as more particularly described in the Second Supplemental Indenture.

"**Refunded Bonds**" means all or a portion of the outstanding St. Louis Municipal Finance Corporation City Justice Center Leasehold Revenue Improvement Bonds, Series 1996A, and all or a portion of the outstanding St. Louis Municipal Finance Corporation City Justice Center Leasehold Revenue Improvement and Refunding Bonds, Series 1996B, as more particularly described in the First Supplemental Indenture.

"Second Supplemental Pledge Agreement" means the Second Supplemental Pledge Agreement, if any, between the City and the Trustee.

"Series 2006 Bonds" means the Series 2006 Bonds authorized pursuant to the Fifth Supplemental Indenture.

"State Reimbursements" means certain prisoner per diem cost reimbursements received by the City from the State of Missouri pursuant to Section 221.105 of the Revised Statutes of Missouri, as amended.

"Third Supplemental Base Lease" means the Third Supplemental Base Lease, if any, between the City and the Corporation.

"Third Supplemental Lease Agreement" means the Third Supplemental Lease Purchase Agreement, if any, between the Corporation and the City.

"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 2006 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 2006 Bonds (i) to refund the Refunded Bonds, (ii) to redeem the Redeemed Bonds, (iii) to provide for a debt service reserve fund and/or Credit Enhancement for the Series 2006 Bonds, and (iv) to pay reasonable expenses incurred by the Corporation and City in connection with the issuance and sale of the Series 2006 Bonds; and

(b) to authorize and direct the Corporation to enter into a negotiated sale of the Series 2006 Bonds to the Underwriters.

Section 3. **Authority and Direction to Issue the Series 2006 Bonds**. The City hereby authorizes and directs the Corporation, if market conditions warrant, to issue the Corporation's City Justice Center Leasehold Revenue Refunding Bonds, Series 2006, in an aggregate principal amount not to exceed $26,000,000 (the "Series 2006 Bonds") on behalf of the City for the purposes set forth in Section 2 hereof. The Series 2006 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 2006 Bonds shall be as provided in the Fifth Supplemental Indenture.

Section 4. **Limited Obligations**. The Series 2006 Bonds and the interest thereon shall be limited obligations payable by the Corporation solely from (i) proceeds of the Series 2006 Bonds, (ii) Pledged Revenues, (iii) 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 2006 Bonds pursuant to the Pledge Agreement and Lease Agreement, (iv) amounts available in the debt service reserve fund, if any, and (v) amounts payable by any Credit Provider in connection with the Credit Enhancement on the Series 2006 Bonds. The Bonds and the interest thereon do not and 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 obligation of the City to make payments of Rentals and Additional Rentals and other amounts under the Lease Agreement is subject to annual appropriation as provided therein. Neither the obligation of the City to make such payments under the Lease Agreement nor the Bonds does or shall constitute a debt of the City. The issuance of the Series 2006 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 2006 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 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 2006 Bonds in a Negotiated Sale.** In connection with the issuance of the Series 2006 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, all in connection with such negotiated sale of the Series 2006 Bonds.

Section 7. **Authority and Direction to Obtain Credit Enhancement**. The City hereby authorizes and directs the Corporation to obtain Credit Enhancement for the 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 2006 Bonds are secured by such Credit Enhancement. Any Credit Agreement executed in connection therewith may pledge Pledged Revenues, 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 2006 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. **Emergency Clause**. The passage of this Ordinance being deemed necessary for the immediate preservation of the public health, moral, safety, and general welfare, 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.

Section 12. **Repeal of Inconsistent Ordinances**. Any Ordinance of the City inconsistent with the terms hereof is hereby repealed, but only to the extent of such inconsistency.