

BOARD BILL # 6

INTRODUCED BY ALDERMAN STEPHEN CONWAY

1 An ordinance recommended by the Board of Estimate and Apportionment authorizing
2 and directing the Comptroller of The City of St. Louis, Missouri (the “City”) to renew a credit
3 facility (the “Bank of America Credit Facility”) previously obtained for the purpose of securing
4 the outstanding City Justice Center Bonds (as defined herein), for the general welfare, safety, and
5 benefit of the citizens of the City; authorizing the City to execute and deliver a first amended and
6 restated promissory note (the “Restated Note”) payable to Bank of America, N.A. (the “Bank”)
7 pursuant to which the Bank will renew the Bank of America Credit Facility; authorizing the
8 payment of certain obligations due to the Bank under the Restated Note; authorizing the Mayor,
9 the Comptroller, and any other appropriate City officials, if necessary, to execute any other
10 documents related to the Restated Note and the Bank of America Credit Facility; authorizing and
11 directing the Comptroller of the City to obtain a credit facility (the “Northern Trust Credit
12 Facility”) to be issued by The Northern Trust Company (“Northern Trust”) for the purpose of
13 replacing the Bank of America Credit Facility upon its termination and securing the outstanding
14 City Justice Center Bonds, for the general welfare, safety, and benefit of the citizens of the City;
15 authorizing and directing the St. Louis Municipal Finance Corporation (the “Corporation”) to
16 execute and deliver a supplemental indenture, if any, amending the herein described Indenture
17 and a supplemental lease purchase agreement, if any, amending the herein described Lease
18 Agreement in connection with the Northern Trust Credit Facility; authorizing the City to execute
19 and deliver such supplemental lease purchase agreement, if any, and an agreement with Northern
20 Trust (the “Northern Trust Agreement”) pursuant to which the Northern Trust Credit Facility
21 shall be issued; authorizing the payment of certain obligations due to the Bank under the
22 Northern Trust Agreement; authorizing the Mayor, the Comptroller, and any other appropriate

1 City officials, if necessary, to execute any other documents related to the Northern Trust Credit
2 Facility; authorizing and directing the taking of other actions and approval and execution of other
3 documents as necessary or desirable to carry out and comply with the intent hereof; and
4 containing an emergency clause.

5 **WHEREAS**, the Board of Aldermen of the City has previously authorized and directed
6 the issuance by the Corporation of its City Justice Center Leasehold Revenue Improvement
7 Bonds, Series 1996A Bonds (the “Series 1996A Bonds”) and its City Justice Center Leasehold
8 Revenue Improvement and Refunding Bonds, Series 1996B (the “Series 1996B Bonds”)
9 pursuant to an Indenture of Trust between the Corporation and UMB Bank of St. Louis, N.A., as
10 trustee (the “Trustee”), dated as of August 1, 1996 (the “Master Indenture”) and a First
11 Supplemental Indenture of Trust between the Corporation and the Trustee, dated as of August 1,
12 1996 (the “First Supplemental Indenture”) to finance the refunding of certain bonds previously
13 issued by the Corporation, the proceeds of which were used to finance part of the St. Louis Jail
14 Facilities (as defined in the Master Indenture) and completion of the Project (as defined in the
15 Master Indenture and the First Supplemental Indenture), none of which Series 1996A Bonds are
16 currently outstanding, and none of which Series 1996B Bonds are currently outstanding;

17 **WHEREAS**, the Board of Aldermen of the City has previously authorized and directed
18 the issuance by the Corporation of its City Justice Center Leasehold Revenue Improvement
19 Bonds, Series 2000A (the “Series 2000A Bonds”) pursuant to the Master Indenture and a Second
20 Supplemental Indenture of Trust between the Corporation and the Trustee, dated as of February
21 1, 2000 (the “Second Supplemental Indenture”) to finance the costs of completion of the City

1 Justice Center (as defined in the Master Indenture), none of which Series 2000A Bonds are
2 currently outstanding;

3 **WHEREAS**, the Board of Aldermen of the City has previously authorized and directed
4 the issuance by the Corporation of its City Justice Center Leasehold Revenue Refunding Bonds,
5 Series 2001A, authorized by the City as the Series 2000B Bonds (the “Series 2001A Bonds”)
6 pursuant to the Master Indenture and a Third Supplemental Indenture of Trust between the
7 Corporation and the Trustee, dated as of September 1, 2001 (the “Third Supplemental
8 Indenture”) to finance the costs of refunding certain Series 1996A Bonds, which Series 2001A
9 Bonds are currently outstanding in the amount of \$55,090,000;

10 **WHEREAS**, the Board of Aldermen of the City has previously authorized and directed
11 the issuance by the Corporation of its City Justice Center Leasehold Revenue Refunding Bonds,
12 Series 2005 (the “Series 2005 Bonds”) pursuant to the Master Indenture and a Fourth
13 Supplemental Indenture of Trust between the Corporation and the Trustee, dated as of September
14 1, 2005 (the “Fourth Supplemental Indenture”) to finance the costs of refunding certain Series
15 2000A Bonds, which Series 2005 Bonds are currently outstanding in the amount of \$14,860,000;

16 **WHEREAS**, the Board of Aldermen of the City has previously authorized and directed
17 the issuance by the Corporation of its City Justice Center Leasehold Revenue Refunding Bonds,
18 Series 2009 (the “Series 2009 Bonds”) pursuant to the First Restatement and Fifth Supplement
19 to Indenture of Trust between the Corporation and the Trustee, dated as of October 1, 2009,
20 supplementing and restating the Master Indenture, First Supplemental Indenture, Second
21 Supplemental Indenture, Third Supplemental Indenture, and Fourth Supplemental Indenture (the

1 “First Restatement”) to finance the costs of refunding certain Series 1996B Bonds, which Series
2 2009 Bonds are currently outstanding in the amount of \$8,495,000;

3 **WHEREAS**, the City and the Corporation have entered in a certain Lease Purchase
4 Agreement dated as of August 1, 1996, as amended and supplemented by the First Supplemental
5 Lease Agreement dated as of February 1, 2000, the Second Supplemental Lease Agreement
6 dated as of September 1, 2005, and the Third Supplemental Lease Purchase Agreement dated as
7 of October 1, 2009 (collectively, the “Lease Agreement”) pursuant to which the City is obligated
8 to make certain lease payments to be used, in part, by the Trustee to pay the principal of and
9 interest on the Series 2001A Bonds, Series 2005 Bonds, and Series 2009 Bonds (collectively, the
10 “City Justice Center Bonds”) and to fund the Debt Service Reserve Fund, as provided therein;

11 **WHEREAS**, the Master Indenture, as supplemented by the First Supplemental Indenture,
12 Second Supplemental Indenture, Third Supplemental Indenture, and Fourth Supplemental
13 Indenture, and as supplemented and restated by the First Restatement (collectively, the
14 “Indenture”) sets forth certain provisions requiring the deposit and maintenance of funds (the
15 “Debt Service Reserve Fund Requirement”) in a debt service reserve fund established under the
16 Indenture (the “Debt Service Reserve Fund”) which funds shall be used and applied by the
17 Trustee solely to prevent a default in the event moneys on deposit with the Trustee shall be
18 insufficient to pay the principal of and interest on the City Justice Center Bonds as the same
19 become due;

20 **WHEREAS**, the Debt Service Reserve Fund Requirement may be satisfied by the
21 deposit of cash or, in partial substitution or in lieu of cash, an insurance policy, letter of credit,
22 line of credit, or surety bond or similar liquidity, or credit facility guaranteeing payments into the

1 Debt Service Reserve Fund in the amount of the Debt Service Reserve Fund Requirement, which
2 facility shall be issued by an entity satisfying certain rating requirements under the Indenture;

3 **WHEREAS**, the City previously executed a Promissory Note dated June 30, 2009 (the
4 “Note”) in the amount of \$9,068,255.43, payable to the Bank and maturing June 29, 2010,
5 pursuant to which the Bank has issued the Bank of America Credit Facility, the proceeds of
6 which were (1) used to pay the costs of obtaining the Bank of America Credit Facility, and (2)
7 deposited with the Trustee to satisfy the Debt Service Reserve Fund Requirement;

8 **WHEREAS**, the Comptroller of the City has determined that it is in the best interest of
9 the City (i) to repay the Bank of America Credit Facility from moneys of the City available in
10 Fiscal Year 2011, and thus (ii) to renew and extend the Bank of America Credit Facility through
11 and including July 15, 2010, and (iii) to execute the Restated Note; and

12 **WHEREAS**, the Comptroller of the City has determined that it is in the best interest of
13 the City (i) to obtain the Northern Trust Credit Facility to replace the Bank of America Credit
14 Facility upon its termination, (ii) to execute the Northern Trust Agreement pursuant to which the
15 Northern Trust Credit Facility shall be issued, and (iii) to deposit the Northern Trust Credit
16 Facility with the Trustee in order to satisfy the Debt Service Reserve Fund requirements under
17 the Indenture; and

18 **WHEREAS**, it is necessary and desirable in connection with the renewing of the Bank of
19 America Credit Facility and the obtaining of the Northern Trust Credit Facility for the City to
20 execute and deliver certain documents and take certain other actions as herein provided.

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

1 **Section 1. Findings and Determinations.** The Board of Aldermen hereby finds and

2 determines that it is necessary and in the best interests of the City:

3 (a) to execute the Restated Note;

4 (b) to renew the Bank of America Credit Facility in a par amount not to exceed
5 \$9,068,255.43;

6 (c) to maintain the proceeds of the Bank of America Credit Facility on deposit in the
7 Debt Service Reserve Fund in order to satisfy the Debt Service Reserve Fund requirements under
8 the Indenture, and the Board of Aldermen hereby appropriates such proceeds of the Bank of
9 America Credit Facility for maintenance of the deposit into the Debt Service Reserve Fund for
10 said purposes;

11 (d) to obtain the Northern Trust Credit Facility for the purpose of replacing the Bank
12 of America Credit Facility upon its termination;

13 (e) to execute the Northern Trust Agreement, a supplemental lease purchase
14 agreement, if any, and other documents in connection therewith; and

15 (f) to authorize and direct the Corporation to execute and deliver a supplemental
16 indenture, if any, and a supplemental lease purchase agreement, if any, in connection with the
17 obtaining of the Northern Trust Credit Facility.

18 **Section 2. Authorization with Respect to Execution and Delivery of City**

19 **Documents.** The City hereby authorizes and directs the Mayor and the Comptroller of the City
20 to execute and deliver (a) the Restated Note and such other documents, certificates, and
21 instruments as may be necessary or desirable to facilitate the renewal by the Bank of the Bank of
22 America Credit Facility and to carry out and comply with the intent of this Ordinance, and (b)

1 the Northern Trust Agreement and a supplemental lease purchase agreement, if any, in
2 connection therewith, and such other documents, certificates, and instruments as may be
3 necessary or desirable to facilitate the issuance by Northern Trust of the Northern Trust Credit
4 Facility and to carry out and comply with the intent of this Ordinance, all in substantially such
5 forms not inconsistent with the provisions of this Ordinance, as the Comptroller shall approve
6 with the advice of Public Financial Management, Inc., the financial advisor to the City with
7 respect to the City Justice Center Bonds, and Armstrong Teasdale LLP, bond counsel, and which
8 the City Counselor shall approve as to form, and the signature of the Comptroller shall be
9 conclusive as to the approval of such changes or modifications by the City. The terms and
10 provisions of the Bank of America Credit Facility shall be as provided for in the Restated Note.
11 The terms and provisions of the Northern Trust Credit Facility shall be as provided for in the
12 Northern Trust Agreement.

13 **Section 3. Authority and Direction to Execute and Deliver Corporation**
14 **Documents.** In connection with the obtaining of the Northern Trust Credit Facility, the City
15 hereby authorizes and directs the Corporation to execute and deliver a supplemental indenture, if
16 any, and a supplemental lease purchase agreement, if any, in forms that are consistent with the
17 provisions of this Ordinance, and as such documents are approved by the City Counselor and the
18 appropriate officers of the Corporation executing such documents, with the respective signatures
19 of such officers thereon to be evidence of the approval of the Corporation.

20 **Section 4. Limited Obligation.** The obligations of the City to make payments of
21 principal and interest and to pay other amounts, if any, under the Restated Note and the Northern

1 Trust Agreement are subject to annual appropriation as provided therein. The obligations of the
2 City to make such payments under the Restated Note and the Northern Trust Agreement shall not
3 constitute a debt of the City and shall not directly or contingently obligate the City to make any
4 payments beyond those appropriated for its then current fiscal year.

5 **Section 5. Further Authority.** The Comptroller and other appropriate officers,
6 agents, and employees of the City are hereby authorized to take such further actions and execute
7 such other documents as may be necessary or desirable to carry out and comply with the intent of
8 this Ordinance, and to carry out, comply with and perform the duties of the City with respect to
9 the Bank of America Credit Facility and the Northern Trust Facility.

10 **Section 6. Emergency Clause.** By making an appropriation for the payment of
11 principal or interest of the public debt or for current expenses of the City government, this
12 Ordinance shall be and is hereby declared to be an emergency measure within the meaning of
13 Article IV, Sections 19 and 20, of the Charter of the City of St. Louis, and, as such, this
14 ordinance shall take effect immediately upon its approval by the Mayor.

15 **Section 7. Superseding of Inconsistent Provisions.** The provisions of this
16 Ordinance hereby amend any provision of any ordinance of the City inconsistent with the terms
17 hereof, but only to the extent of such inconsistency.