

ORDINANCE #67602
Board Bill No. 179

An ordinance recommended by the Board of Estimate and Apportionment of the City of St. Louis, Missouri (the "City") authorizing and directing the St. Louis Municipal Finance Corporation (the "Corporation") to issue and sell the Corporation's Taxable Pension Judgment Leasehold Revenue and/or Refunding Bonds (City of St. Louis, Missouri, Lessee), Series 2007 and Taxable Pension Judgment Service Contract Revenue Bonds, Series 2007, or any combination thereof (collectively, the "Series 2007 Bonds"), in an aggregate principal amount not to exceed \$155,000,000 in order to pay certain judgments and other amounts in connection with any or all of the City of St. Louis Police Retirement System (the "PRS"), the City of St. Louis Firemen's Retirement System (the "FRS"), and the City of St. Louis Employees' Retirement System (the "ERS" and together with the PRS and FRS, the "Retirement Systems") and, if necessary or desirable to facilitate the transactions contemplated hereby, to pay, redeem and/or refund to maturity the Corporation's outstanding Firemen's Retirement System Lease Revenue Bonds, Taxable Series 1998 (The City of St. Louis, Missouri, Lessee) (the "Series 1998 Bonds") and/or any Bridge Loan (as defined herein) for the general welfare, safety, and benefit of the citizens of the City; authorizing and directing the Corporation to execute and deliver, as necessary or desirable to facilitate the transactions contemplated hereby, any of the Indenture, the Base Lease, the Lease Purchase Agreement, the Service Contract, the Tax Compliance Agreement, the Interest Rate Exchange Agreement, the Official Statement, the Bond Purchase Agreement, and the Escrow Agreement (all as defined herein); authorizing the City to execute and deliver, as necessary or desirable to facilitate the transactions contemplated hereby, any of the Base Lease, the Lease Purchase Agreement, the Service Contract, the Continuing Disclosure Agreement (as defined herein), the Tax Compliance Agreement, any Interest Rate Exchange Agreement to which the City is a party, the Official Statement, the Bond Purchase Agreement, and the Escrow Agreement; providing for a debt service reserve fund or funds for the Series 2007 Bonds, if any; authorizing the Corporation and the City to obtain credit enhancement for a portion or all of the Series 2007 Bonds from a Credit Provider (as defined herein), 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 (as defined herein) 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 the Corporation and the City to obtain a Bridge Loan and enter into Bridge Loan Documents (as defined herein) in the event the issuance of the Series 2007 Bonds is delayed; authorizing the Corporation to amend its articles and by-laws if necessary or desirable to accommodate transactions of the nature contemplated hereby; 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, the Board of Aldermen of the City has previously authorized and directed the issuance by the Corporation of the Series 1998 Bonds pursuant to that certain Trust Indenture dated as of April 1, 1998 by and between the Corporation and the Trustee (as defined herein), to provide funds for the Corporation to acquire a leasehold interest in the Facility (as defined therein) from the City in order to capture budgetary savings for the City's taxpayers by prepaying a portion of the City's then-unfunded accrued actuarial liability owing under the FRS;

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 for the purposes of paying certain judgments and other amounts in connection with the Retirement Systems and, if necessary or desirable to facilitate the transactions contemplated hereby, paying, redeeming and/or refunding to maturity the outstanding Series 1998 Bonds (the "Refunded Bonds") and/or the Bridge Loan, if any, through a negotiated sale or placement; 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, if any, between the City, as lessor, and the Corporation, as lessee, as may be amended and supplemented in accordance with the terms thereof, pursuant to which the City conveys a leasehold interest in the Leased 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.

“Bridge Loan” means a loan made to the City and/or the Corporation by one or more financial institutions at a lawful rate of interest for a maximum term of 364 days for the purpose of providing funds on a short-term basis to be used by the City and/or the Corporation for substantially the same purposes as the proceeds of Series 2007 Bonds as contemplated herein.

“Bridge Loan Documents” means the Bridge Loan Note, any loan agreement associated therewith, any deed of trust and/or security agreement securing the Bridge Loan, and any and all other documents necessary or desirable to consummate a Bridge Loan as contemplated herein.

“Bridge Loan Note” means the note evidencing the City’s or the Corporation’s, as the case may be, obligation to repay the Bridge Loan in accordance with its terms.

“City Documents” means the Base Lease, if any, the Lease Purchase Agreement, if any, the Service Contract, if any, the Credit Agreement, if any, the Continuing Disclosure Agreement, the Bond Purchase Agreement, the Tax Compliance Agreement, if any, any Interest Rate Exchange Agreement to which the City is a party, the Bridge Loan Documents, if any, the Escrow Agreement, if any, 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 one or more Continuing Disclosure Agreements memorializing the City's and/or the Corporation's continuing disclosure obligations with respect to the Series 2007 Bonds.

“Corporation Documents” means the Trust Indenture, the Base Lease, if any, the Lease Purchase Agreement, if any, the Service Contract, if any, the Bond Purchase Agreement, the Tax Compliance Agreement, if any, the Interest Rate Exchange Agreement, if any, the Bridge Loan Documents, if any, the Escrow Agreement, if any, 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 one or more standby letters of credit, standby bond purchase agreements, irrevocable direct pay letters of credit, and other liquidity facilities, surety bonds, or bond insurance 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 and/or the purchase price of 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.

“Escrow Agreement” means the Escrow Agreement, if any, among the City, the Corporation, and the Trustee acting as escrow agent, and providing for the refunding to maturity of the Refunded Bonds.

“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 or supplemented pursuant to the terms thereof, pursuant to which the Series 2007 Bonds and any additional series of bonds are issued.

“Interest Rate Exchange Agreement” means any agreement entered into by the City and/or the Corporation and a counterparty in connection with the Bonds and providing for payments based on levels of or changes in interest rates, including without limitation such agreements commonly referred to as interest rate swaps, hedges, caps, floors, and collars.

“Lease Purchase Agreement” means the Lease Purchase Agreement, if any, between the Corporation, as lessor, and the

City, as lessee, as may be amended or supplemented pursuant to the terms thereof, pursuant to which the Corporation conveys a leasehold interest in the Leased Property to the City, and the City leases the Leased Property, together with any improvements thereon, from the Corporation and agrees to pay Rentals and Additional Rentals, subject to annual appropriation to the extent required by applicable law, equal to the principal and interest due on the Bonds secured thereby.

“Leased Property” means any or all of the following: the various fire station facilities of the City, the St. Louis Fire Department Headquarters Complex located at 1421 N. Jefferson, the St. Louis Fire Department EMS Services Building located at 2634 Hampton Avenue, and the St. Louis Police Communications Building located at 1225 Spruce Street, including with respect to the foregoing all sites, buildings, structures, improvements, and fixtures thereon and any other property of the City as further provided in the Lease Purchase Agreement.

“Official Statement” means the Preliminary Official Statement or Statements, the final Official Statement or Statements, and any other disclosure materials prepared in connection with the issuance, sale, and delivery of the Series 2007 Bonds and/or the Bridge Loan.

“Refunded Bonds” means the outstanding Series 1998 Bonds redeemed or refunded to maturity with the proceeds of the Series 2007 Bonds.

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

“Retirement Systems” means the City of St. Louis Police Retirement System, the City of St. Louis Firemen’s Retirement System, and the City of St. Louis Employees’ Retirement System.

“Series 1998 Bonds” means the Corporation’s Firemen’s Retirement System Lease Revenue Bonds, Taxable Series 1998 (The City of St. Louis, Missouri, Lessee).

“Series 2007 Bonds” means the Corporation’s Taxable Pension Judgment Leasehold Revenue and/or Refunding Bonds (City of St. Louis, Missouri, Lessee), Series 2007, and/or Taxable Pension Judgment Service Contract Revenue Bonds, Series 2007, authorized pursuant to the Indenture.

“Service Contract” means the Service Contract, if any, by and between the Corporation and the City, as may be amended pursuant to the terms thereof, pursuant to which the Corporation agrees to issue its Taxable Pension Judgment Service Contract Revenue Bonds, Series 2007, and the City agrees to pay amounts to the Corporation, subject to annual appropriation to the extent required by applicable law, equal to the principal and interest due on such bonds and any other amounts due thereunder.

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

“Trustee” means the trustee under the Indenture 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, as market conditions warrant, the Series 2007 Bonds (i) to pay certain pending judgments and other amounts in connection with any or all of the Retirement Systems, (ii) if necessary or desirable to facilitate the transactions contemplated hereby, to pay, redeem and/or refund to maturity the Refunded Bonds and/or the Bridge Loan, if any, (iii) to fund one or more debt service reserve funds, if any, and/or the purchase of Credit Enhancement for the Series 2007 Bonds, (iv) to pay reasonable expenses incurred by the Corporation and the City in connection with the transactions contemplated hereby, and (v) to amend its by-laws, if necessary, to accommodate the transactions contemplated hereby; and

(b) 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, as market conditions warrant, to issue the Series 2007 Bonds in an aggregate principal amount not to exceed \$155,000,000 (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 final maturities not more than 40 years from their date of issuance, (ii) shall bear fixed rates of interest of not more than 10% and/or variable rates of interest not to exceed the maximum amount allowable under Missouri law, 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 Authority and Direction to Enter Into the Bridge Loan. In the event that issuance of the Series 2007 Bonds is delayed for any reason such that the proceeds thereof will not be available by September 29, 2007, for the purposes set forth herein, the City and/or the Corporation are hereby authorized and directed to enter into the Bridge Loan and use the proceeds thereof as provided herein (provided that the payment of the pending judgments and other amounts in connection with the Retirement Systems by such date has not been otherwise accommodated or provided for). The terms and provisions of the Bridge Loan shall be as provided herein and in the Bridge Loan Documents, which shall not be inconsistent herewith.

Section 5 Limited Obligations. The Series 2007 Bonds and the interest thereon and any Interest Rate Exchange Agreement shall be limited obligations payable by the Corporation solely from (i) proceeds of the Series 2007 Bonds, (ii) Rentals, Additional Rentals and/or payments under the Service Contract received by the Corporation from the City 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 and/or the Service Contract or to make payments with respect to any Interest Rate Exchange Agreement, (iii) amounts available in the debt service reserve fund or funds, if any, (iv) amounts payable by any Credit Provider in connection with any Credit Enhancement on the Series 2007 Bonds, if any, and (v) any amounts received under any Interest Rate Exchange Agreement. The Series 2007 Bonds, the Interest Rate Exchange Agreement, if any, and the Bridge Loan, if any, 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, if any, the Service Contract, if any, the Interest Rate Exchange Agreement, if any, and/or the Bridge Loan Note, if any, is subject to annual appropriation to the extent required by applicable law as provided therein. Neither the obligation of the City to make such payments under the Lease Purchase Agreement, if any, the Service Contract, if any, the Interest Rate Exchange Agreement, if any, and/or the Bridge Loan Documents, if any, nor the Bonds or the Bridge Loan Note, if any, shall constitute a debt of the City. The issuance of the Series 2007 Bonds and the Bridge Loan Note, if any, will not directly or contingently obligate the City to make any payments beyond those appropriated for its then current fiscal year.

Section 6 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, as such Corporation Documents are approved by the City Counselor as to the form thereof 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 7 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, the Continuing Disclosure Agreement and any and all related documents, all in connection with such negotiated sale of the Series 2007 Bonds.

Section 8 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, Additional Rentals, and/or payments under the Service Contract 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 9 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 10 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 11 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. The Corporation is further authorized to amend its articles and by-laws if necessary or desirable to accommodate transactions of the nature contemplated hereby.

Section 12 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 13 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: July 19, 2007