AGENDA
CHASKA ECONOMIC DEVELOPMENT AUTHORITY
ONE CITY HALL PLAZA, CHASKA CITY HALL
Monday, February 24, 2020
7:00 PM

1. Call to Order
2. Roll Call
3. Adopt Agenda
4. Approve Previous Meeting Minutes
    A. Approve Meeting Minutes from 02-03-2020
5. Discussion Items
    A. Adopt Resolution EDA 2020-2, Adopt Resolution Ratifying Sale and Issuance of Bonds
6. Other Business
7. Adjourn

- MINUTES -
CHASKA ECONOMIC DEVELOPMENT AUTHORITY
FEBRUARY 3, 2020

DRAFT

1. Call to Order
President Windschitl called the meeting to order at 8:53 pm.

2. Roll Call
Roll call was taken. Present: Commissioners Hatfield, Hubbard, Grau, Huang, and President Windschitl.
Absent: None.

Also Present: Nate Kabat, Assistant Executive Director and Matt Podhradsky, Executive Director.

3. Agenda
Motion by Commissioner Huang, second by Commissioner Hatfield to adopt the agenda as presented.
Motion carried.

4. Minutes
Motion by Commissioner Grau, second by Commissioner Hubbard to approve the minutes of the January 6, 2020 EDA meeting.
Motion carried.

5. Authorize Staff to Release an RFQ and Pursue Property Acquisition for the City Square West Redevelopment
Executive Director Podhradsky presented the item to the Commission.

President Windschitl inquired about the timing of the acquisition versus RFQ.

Executive Director Podhradsky provided further detail regarding the purpose of the timing.

Commissioner Huang asked if the relocation of the affected tenants from the strip mall is part of this plan.

Executive Director Podhradsky stated that it is and explained the relocation funding in more detail.

Motion by Commissioner Huang, second by Commissioner Hatfield to authorize Staff to pursue the following actions in support of advancing the City Square West Redevelopment project:

- Release the RFQ and pursue the process to identify a preferred developer with the intent to negotiate a preliminary development agreement;
- Negotiate purchase agreements for properties on the block to be presented to the EDA Board for approval; and
- Pursue the process to establish a TIF district to support financing of the project.

Motion carried.

6. Other Business
There was no other business.

7. Adjourn

Motion by Commissioner Huang, second by Commissioner Hubbard to adjourn the meeting at 9:06 pm.
Motion carried.

REQUEST FOR ACTION
CHASKA ECONOMIC DEVELOPMENT AUTHORITY
02/24/2020

Subject: **Adopt Resolution Ratifying Sale and Issuance of Bonds**

Prepared By: Noel Graczyk, Administrative Services Director
Kelly Grinnell, Finance Manager

Background
On Thursday, February 13, 2020 the City of Chaska and the Chaska EDA completed the sale and issuance of bonds in accordance with parameters resolutions previously approved by both the City Council and the Chaska EDA. The results of the sale were very favorable and completed in compliance with parameters as established. The following table is a summary of the sale results.

City of Chaska Economic Development Authority Taxable Full-Term Installment Purchase Revenue Bonds, Series 2020A

Parameter	Maximum	Result
Par Amount	$6,750,000	$6,285,000
True Interest Cost (TIC)	4.0%	2.82%

The underwriter purchasing the bonds was Robert W. Baird & Company (Baird). Baird has worked previously with the City and the Chaska EDA on issuance of similar types of direct placement debt in the past. Before completion of the sale the City reviewed the proposed offering from Baird with Baker Tilly, Municipal Advisor to the City to ensure the proposed offer was consistent with current market conditions.

Proceeds from the sale of and issuance of these bonds will be used to reimburse the City for costs previously incurred to acquire land for the SW Park area.

Recommendation
Adoption of the ratifying resolution is required at this time.

CITY COUNCIL ACTION REQUESTED
Motion to adopt Resolution No. 2020-2 ratifying the sale and authorizing the issuance of $6,285,000 Taxable Full-Term Installment Purchase Revenue Bonds Series 2020A, and authorizing execution of related documents.

CERTIFICATION OF MINUTES RELATING TO CITY OF CHASKA
ECONOMIC DEVELOPMENT AUTHORITY TAXABLE FULL-TERM INSTALLMENT
PURCHASE REVENUE BONDS

Issuer: Economic Development Authority of the City of Chaska, Minnesota

Governing Body: Board of Commissioners

Kind, date, time and place of meeting: A regular meeting held on February 24, 2020, at 7:30 p.m., at the City Hall.

Commissioners Present:

Commissioners Absent:

Documents Attached:
Minutes of said meeting, including:

RESOLUTION NO. 2020-2

RESOLUTION RATIFYING THE SALE AND AUTHORIZING THE ISSUANCE OF $6,285,000 TAXABLE FULL-TERM INSTALLMENT PURCHASE REVENUE BONDS, SERIES 2020A; AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the Bonds referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said Bonds; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such recording officer on ____________________, 2020.

____
Executive Director

4850-1212-3572\2

Commissioner ____________________ introduced the following resolution and moved its adoption, which motion was seconded by Commissioner _____________________:

RESOLUTION NO. 2020-2

RESOLUTION RATIFYING THE SALE AND AUTHORIZING THE ISSUANCE OF $6,285,000 TAXABLE FULL-TERM INSTALLMENT PURCHASE REVENUE BONDS, SERIES 2020A; AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS

BE IT RESOLVED by the Board of Commissioners (the "Board") of the Economic Development Authority (the "Authority") of the City of Chaska, Minnesota (the "City"), as follows:

SECTION 1. RATIFICATION OF SALE.

1.01. Authorization.

Acting pursuant to Minnesota Statutes, Sections 469.012, subdivision 1(h), 471.64, 469.033 and 469.034, and Chapter 475, this Board, by resolution adopted on January 6, 2020 (the "Authority Resolution"), and a concurring resolution adopted by the City Council of the City on January 6, 2020 (the "City Resolution," and, together with the Authority Resolution, the "Resolutions"), approved the issuance and authorized the negotiated sale of the Authority's Taxable Full-Term Installment Purchase Revenue Bonds, Series 2020A (the "Bonds"), in an amount not to exceed $6,750,000 and at a true interest cost not to exceed 4.0% per annum, and further authorized the President and the Executive Director, to approve the sale of the Bonds and enter into a bond purchase agreement with Robert W. Baird & Co. Incorporated, as purchaser (the "Purchaser").

1.02. Ratification of Sale.

The Authority retained Baker Tilly Municipal Advisors LLC ("Baker Tilly"), municipal advisor, to assist the Authority in connection with the sale of the Bonds on a negotiated basis to the Purchaser. The proposal received from the Purchaser is within the parameters for sale established in the Authority Resolution. The Purchaser has agreed to purchase the Bonds in the principal amount of $6,285,000, at a price of $6,234,720.00 plus accrued interest, if any, on all Bonds to the day of delivery and payment, on the further terms and conditions hereinafter set forth. The sale of the Bonds to the Purchaser and the execution of the bond purchase agreement by the Executive Director and President Pro Tem, in the absence of the President, are hereby ratified in all respects.

SECTION 2. BOND TERMS; EXECUTION AND DELIVERY.

2.01. Issuance of Bonds.

All acts, conditions and things which are required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed precedent to and in the valid issuance of the Bonds having been done, now existing, having happened and having been performed, it is now necessary for the Board to establish the form and terms of the Bonds, to provide security therefor and to issue the Bonds forthwith.

2.02. Terms of the Bonds; Form of Bonds.

The Bonds are designated the "Taxable Full-Term Installment Purchase Revenue Bonds, Series 2020A." The terms of the Bonds, including without limitation, the date of original issue, interest payment dates, maturity dates and principal amounts, interest rates, redemption provisions, and provisions for registration and exchange are set forth in the Indenture of Trust (the "Indenture") between the Authority and U.S. Bank National Association, as trustee (the "Trustee"). The Bonds shall be prepared in substantially the form found in the Indenture.

The Bonds are special, limited obligations of the Authority payable solely from installment payments (the "Installment Payments") to be received by the Authority from the City pursuant to an Installment Sale Agreement between the Authority and the City dated March 1, 2020 (the "Installment Agreement"). The Bonds are issued pursuant to the Indenture and the Resolutions.

SECTION 3. EXECUTION OF DOCUMENTS

The Installment Sale Agreement and the Indenture are hereby approved, and the President and the Executive Director of the Authority, or any one or more authorized designees, are hereby authorized to execute the Installment Sale Agreement and the Indenture.

The President and Executive Director, or any one or more authorized designees, are hereby further authorized and directed to execute and deliver such other documents, instruments, certificates, and agreements as are required to accomplish the issuance of the Bonds in the name of and on behalf of the Authority, the purchase and sale of the Land (as described in the Indenture), and the transactions contemplated in connection with the issuance of the Bonds, with such variations, omissions, deletions and insertions as the President and Executive Director or the authorized designee(s) shall approve, which approval shall be conclusively presumed by the execution and delivery of the documents by the President and Executive Director or the authorized designee(s).

SECTION 4. CONTINUING DISCLOSURE.

(a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the Purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the Rule), which will enhance the marketability of the Bonds, the Authority hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the outstanding Bonds. The Authority is the only obligated person in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made. If the Authority fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, Owner or Bondowner means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, Beneficial Owner means, in respect of a Bond, any person or entity which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The Authority will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the Authority, the following information at the following times:

(1) on or before twelve (12) months after the end of each fiscal year of the City, commencing with the fiscal year ending December 31, 2019, the following financial information and operating data in respect of the City (the "Disclosure Information"):

(A) the audited financial statements of the City for such fiscal year, prepared in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the City, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the City; and

(B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement in under the headings: "Appendix I – General and Financial Information Concerning the City of Chaska, Minnesota – City Property Values;" "– City Indebtedness;" and "– City Tax Rates, Levies and Collections."

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the Authority shall provide on or before such date unaudited financial statements and, within 10 days after the receipt thereof, the Authority shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been submitted to the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access System ("EMMA") or the SEC. The Authority shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the Authority have materially changed or been discontinued, such Disclosure Information need no longer be provided if the Authority includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other Authority operations in respect of which data is not included in the Disclosure Information and the Authority determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (2) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1) or subsection (d), then the Authority shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

(2) In a timely manner, not in excess of 10 business days after the occurrence of the event, to the MSRB through EMMA, notice of the occurrence of any of the following events (each a "Material Fact," as hereinafter defined):

(A) principal and interest payment delinquencies;
(B) non-payment related defaults, if material;
(C) unscheduled draws on debt service reserves reflecting financial difficulties;
(D) unscheduled draws on credit enhancements reflecting financial difficulties;
(E) substitution of credit or liquidity providers, or their failure to perform;
(F) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
(G) modifications to rights of Bond holders, if material;
(H) Bond calls, if material and tender offers;
(I) defeasances;
(J) release, substitution, or sale of property securing repayment of the Bonds if material;
(K) rating changes;
(L) bankruptcy, insolvency, receivership, or similar event of the obligated person;
(M) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination

of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(N) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(O) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and

(P) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

For purposes of the events identified in paragraphs (O) and (P) above, the term "financial obligation" means (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

As used herein, for those events that must be reported if material, an event is material if a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, an event is also material if it would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

For the purposes of the event identified in (L) hereinabove, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(3) In a timely manner, to the MSRB through EMMA, notice of the occurrence of any of the following events or conditions:

(A) the failure of the Authority to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;

(B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the Authority under subsection (d)(2);

(C) the termination of the obligations of the Authority under this section pursuant to subsection (d);

(D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and

(E) any change in the fiscal year of the City.

(c) Manner of Disclosure.

(1) The Authority agrees to make available to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, the information described in subsection (b).

(2) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

(1) The covenants of the Authority in this section shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the Authority under this section shall terminate and be without further effect as of any date on which the Authority delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the Authority or the Authority to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.

(2) This section (and the form and requirements of the Disclosure Information) may be amended or supplemented by the Authority from time to time, without notice to (except as provided in paragraph (c)(2) hereof) or the consent of the Owners of any Bonds, by a resolution of this Board filed in the office of the recording officer of the Authority accompanied by an opinion of Bond Counsel, who may rely on certificates of the Authority and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the Authority or the City or the type of operations conducted by the Authority or the City, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the

time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule.

If the Disclosure Information is so amended, the Authority agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

(3) This section is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.

SECTION 5. AUTHENTICATION OF TRANSCRIPT.

The officers of the Authority are hereby authorized and directed to prepare and furnish to the purchaser of the Bonds, and to Dorsey & Whitney LLP, the attorneys rendering an opinion as to the legality thereof, certified copies of all proceedings and records relating to the Bonds and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds, as the same appear from the books and records in their custody and control or as otherwise known to them, and all such certified copies, affidavits and certificates, including any heretofore furnished, shall be deemed representations of the Authority as to the correctness of all statements contained therein.

Upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon the Resolution was declared duly passed and adopted.