

Extract of Minutes of a Meeting of the
City Council of the City of
Ramsey, Minnesota

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Ramsey, Minnesota, was duly called and held at the Ramsey Municipal Center, 7550 Sunwood Drive NW, in said City on Tuesday, the 10th day of May, 2022, at 7:00 o'clock P.M.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION #22-111

RESOLUTION CALLING FOR A PUBLIC HEARING ON THE ISSUANCE OF CHARTER SCHOOL LEASE REVENUE BONDS AND AUTHORIZING THE PUBLICATION OF A NOTICE OF THE HEARING (PACT CHARTER SCHOOL PROJECT)

(a) **WHEREAS**, Minnesota Statutes, Sections 469.152 through 469.165, as amended, relating to municipal industrial development (the "Act"), gives municipalities the power to issue revenue obligations for the purpose of promoting the welfare of the state by the active attraction and encouragement and development of economically sound industry and commerce to prevent so far as possible the emergence of blighted and marginal lands and areas of chronic unemployment; and

(b) **WHEREAS**, Ramsey, Minnesota (the "City"), has received from PCS Building Company, a Minnesota nonprofit corporation and 501(c)(3) organization (the "Borrower"), a proposal that it undertake a program to finance the Project (as defined in Exhibit A attached hereto), through the issuance of revenue bonds, in one or more series, or obligations (the "Obligations") pursuant to the Act; and

(c) **WHEREAS**, before proceeding with consideration of the request of the Borrower it is necessary for the City to hold a public hearing on the proposal pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended, and Section 469.154, Subdivision 4, of the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RAMSEY, ANOKA COUNTY, STATE OF MINNESOTA as follows:

1. A public hearing on the proposal of the Borrower will be held at the time and place as determined by the City Administrator. The general nature of the Project and an

estimate of the aggregate principal amount of the Obligations to be issued to finance the proposal are described in the Notice of Public Hearing attached hereto as Exhibit A.

2. The City Administrator is hereby authorized and directed to cause notice of the hearing to be given one publication in the official newspaper of the City and also in a newspaper of general circulation available in the City, not less than 14 days nor more than 30 days prior to the date fixed for the hearing, substantially in the form of the attached Notice of Public Hearing.

The motion of the adoption of the foregoing resolution was duly seconded by Councilmember and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

and the following abstained:

and the following were absent:

Whereupon said resolution was declared duly passed and adopted by the Ramsey City Council this the 10th day of May, 2022.

Mayor

ATTEST:

City Administrator

STATE OF MINNESOTA
COUNTY OF ANOKA
CITY OF RAMSEY

I, the undersigned, being the duly qualified and acting City Administrator of the City of Ramsey, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of the City of Ramsey, Minnesota, duly called and held on the date therein indicated, insofar as such minutes relate to a resolution calling a public hearing on the issuance of charter school lease revenue bonds.

WITNESS my hand this ____ day of May, 2022.

City Administrator

EXHIBIT A

NOTICE OF PUBLIC HEARING ON A PROPOSAL FOR THE ISSUANCE OF CHARTER SCHOOL LEASE REVENUE BONDS FOR THE PACT CHARTER SCHOOL PROJECT

Notice is hereby given that the City Council of the City of Ramsey, Minnesota (the “City”) will meet at Ramsey Prairie Center located at Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota, at 7:00 p.m. on Tuesday, June 14, 2022, to consider the proposal of PCS Building Company, a Minnesota nonprofit corporation having federal income tax-exempt 501(c)(3) status (the “Borrower”), that the City assist in financing a project hereinafter described pursuant to Minnesota Statutes, Sections 469.152 through 469.165, as amended, by the issuance of a revenue obligations, in one or more series (the “Obligations”).

The project consists of (i) currently refunding the City’s outstanding Lease Revenue Refunding Bonds (PACT Charter School Project), Series 2013A (the “Series 2013A Bonds”), the proceeds of which were used to advance refund the City’s Lease Revenue Bonds (PACT Charter School Project), Series 2004A (the “Series 2004 Bonds”), the proceeds of which were used to finance the acquisition, construction, and equipping of an approximately 74,000 square-foot school facility located at 7250 East Ramsey Parkway (the “Original School Facilities”) in the City, which is currently leased to and operated by PACT Charter School, a Minnesota nonprofit corporation and 501(c)(3) organization (the “Charter School”) as a public charter school for students in grades kindergarten through twelve; (ii) currently refunding the Borrower’s outstanding subordinate loan from Propel Nonprofits issued in the original principal amount of \$526,870, the proceeds of which were used to finance and refinance certain capital improvements to the Original School Facilities (the “Subordinate Loan”); (iii) financing certain interior renovations to the Original School Facilities to equip the Original School Facilities to serve grades kindergarten through five; (iv) financing the acquisition of 18 acres of vacant land and the construction and equipping of an approximately 115,000 square-foot school facility located at or about 7633 161st Avenue NW (the “New School Facilities”) in the City, which will be leased to and operated by the Charter School as a public charter school for students in grades six through twelve; (v) providing for capitalized interest, if any, and funding any required reserve funds; and (vi) paying certain costs of issuance related to the issuance of the Obligations and the refunding of the Series 2013A Bonds (collectively, the “Project”).

The Project will be owned by the Borrower and leased to and operated by the Charter School.

The estimated maximum principal amount of the Obligations to be issued to finance the Project will be an amount not to exceed \$43,000,000, with approximately \$11,000,000 allocated to the Original School Facilities, and \$32,000,000 allocated to the New School Facilities.

The Obligations, if and when issued, will not constitute a charge, lien or encumbrance upon any property of the City, except the Project, and such obligations will not be a charge against the general credit or taxing powers of the City but will be payable from sums to be paid by the Borrower pursuant to a revenue agreement.

A draft copy of the proposed application to the Minnesota Department of Employment and Economic Development for approval of the Project, together with all attachments and exhibits thereto, is available for public inspection, during normal business hours, Monday through Friday, in the office of the City Administrator in City Hall, 7550 Sunwood Drive NW, in the City.

At the time and place fixed for the Public Hearing, the City Council will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. Written comments will be considered if submitted at the above City office on or before the date of the hearing.