

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I the undersigned, being the duly qualified and acting recording officer of the City of Missoula, Montana (the "City"), hereby certify that the attached resolution is a true copy of a resolution entitled: "Resolution authorizing the Mayor and the Finance Director-Treasurer to preliminarily award Lease-Purchase Agreement and Ground Lease directly with a lender in a private negotiated solicitation for Civic Stadium Refinancing" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a regular meeting on January 25, 2023, and that the meeting was duly held by the City Council of the City and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council members voted in favor thereof:

voted against the same: _____;

abstained from voting thereon: : _____;

or were absent: : _____;

WITNESS my hand officially this ____ day of _____, 2023.

Martha L. Rehbein, CMC
City Clerk

RESOLUTION NUMBER _____

Resolution authorizing the Mayor and the Finance Director-Treasurer to preliminarily award Lease-Purchase Agreement and Ground Lease directly with a lender in a private negotiated solicitation for Civic Stadium Refinancing

BE IT RESOLVED by the City Council of the City of Missoula, Montana (the “Council”), as follows:

WHEREAS, under the provisions of Montana Code Annotated, Title 7, Chapter 7, part 44, as amended (the “Revenue Bonds Act”), the City may issue its bonds to finance the cost of the acquisition, purchase, construction, reconstruction, improvement, betterment, or extension of any public recreation facility, or to issue refunding bonds to refund bonds issued for such purposes, provided that the bonds and the interest thereon are to be payable solely out of the income and revenues to be derived from rates, fees and charges for the services, facilities and commodities furnished by such public recreation facility, and do not create any obligation for the payment of which taxes may be levied, and do not constitute a debt of the City within the meaning of any constitutional or statutory limitation or provision; and

WHEREAS, pursuant to Resolution No. 6253 and Resolution No. 6303, the City acquired certain land within Urban Renewal District II for the purpose of building a civic stadium (the “Ballpark Site”) and the City previously entered into a Development Agreement, dated May 17, 2000, amended April 2, 2003, and a related Use Agreement, dated May 10, 2000 (together, the “Development and Use Agreements”) with Play Ball Missoula, a Montana nonprofit corporation (“Play Ball”) whereby Play Ball agreed to finance and construct a ballpark and civic stadium for minor league baseball (the “Ballpark”) on the City Land, and pursuant to the Development and Use Agreements, Play Ball agreed to transfer ownership of the Ballpark to the City free and clear of any liens or encumbrances once construction on the Ballpark was complete, and the City agreed to accept ownership of the Ballpark; and

WHEREAS, in a separate agreement between the City and Play Ball, a copy of which was presented to the Council and approved on August 15, 2011 (the “Ballpark Agreement”), Play Ball agreed, among other things, to transfer all of its interest in the Ballpark to the City, free and clear of any claims, mortgages or encumbrances upon release of the Prior Trust Indenture and agreed that Play Ball or a successor nonprofit entity will continue to raise funds to establish a replacement and depreciation account for the Ballpark; and

WHEREAS, pursuant to Montana Code Annotated, Sections 7-1-4124 and 7-8-4101 the City has the authority to lease public property such as the Ballpark and Ballpark Site and under Montana Code Annotated, Section 7, Chapter 16, Part 41 (including MCA 7-16-4106 relating to civic stadiums) the City has the authority to fund and operate recreational facilities, parks and civic stadiums; and

WHEREAS, Mountain Baseball, LLC, a California limited liability company (“Mountain Baseball”) entered into a lease and use agreement with the City (the “Ballpark Lease and Use Agreement”), whereby Mountain Baseball leases the Ballpark from the City for the operation and play of minor league professional baseball for a period of 25 years, a copy of which Ballpark Lease and Use Agreement was presented to the Council and approved on August 15, 2011; and

WHEREAS, on February 17, 2012, the City issued its (i) Civic Stadium Taxable Revenue Bonds, Series 2012 in the original aggregate amount of \$1,290,000; and (ii) Civic Stadium Taxable Revenue Bonds, Series 2012 in the original aggregate principal amount of \$265,000 (together, the “Refunded Bonds”) in order to refinance the Ballpark, as required under the Ballpark Settlement Agreement; and

WHEREAS, the City finance staff recommends prepaying and redeeming the Refunded Bonds;
and

WHEREAS, the City finance staff, along with advice from the City's municipal advisor (Baker Tilly Municipal Advisors, LLC ("Baker Tilly")) and the City's bond counsel (Ballard Spahr LLP) determined that a lease-purchase financing structure to provide for the refinancing of the Ballpark and the Refunded Bonds is the most advantageous route of financing for the City; and

WHEREAS, the proposed lease will be subject to annual non-appropriation, and the Council has the right to terminate the financing lease, in accordance with the terms thereof, at the end of any fiscal year;
and

WHEREAS, in the event that the Council does not appropriate funds to make payments on the Lease the City will lose the right to the Ballpark for the remaining term of a Ground Lease Agreement, dated on or after March 1, 2022 (the "Ground Lease"), between the City, as lessor, and a lender (the "Lender"), as lessee, to be determined pursuant to a Request for Proposal (the "RFP") prepared and distributed on the City's behalf by Baker Tilly.

BE IT THEREFORE RESOLVED by the City Council of the City of Missoula, Montana as follows:

1. Ratification of Request for Proposals. The City ratifies the RFP prepared by Baker Tilly and the distribution thereof to prospective Lenders.

2. Review and Acceptance of Proposals. The City has determined that lease-purchase financing is the most advantageous for financing the prepayment of the Refunded Bonds. The City Finance Director/Treasurer, Baker Tilly and Ballard Spahr are authorized to receive, review and select the most advantageous proposal. The Mayor and the City Finance Director/Treasurer, and any other officer of the City who is authorized to execute contracts on behalf of the City are, and each of them is, authorized to execute, acknowledge and deliver any necessary documents or term sheets to proceed with the refinancing process. The final forms and terms of the Lease-Purchase Agreement, the Ground Lease and related documents will be subject to final approval by the Council at a later date.

3. Ratification of Request for Proposals. The City ratifies the RFP prepared by Baker Tilly and the distribution thereof to prospective Lenders.

4. Effective Date. This resolution shall be effective immediately upon its final adoption.

Passed by the City Council of the City of Missoula, Montana, this 25th day of January, 2023.

Jordan Hess
Mayor

Attest: _____
Martha L. Rehbein, CMC
City Clerk