



# City of Blaine Anoka County, Minnesota

Blaine City Hall  
10801 Town Sq Dr NE  
Blaine MN 55449

## Legislation Details (With Text)

**File #:** RES 17-027    **Version:** 1    **Name:** Refinance 2009 Allina Conduit Debt  
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**Title:** CALLING FOR PUBLIC HEARING TO REFINANCE 2009 ALLINA HEALTH SYSTEMS CONDUIT DEBT  
**Sponsors:** Joe Huss  
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**Attachments:** 1. Exhibit A

Date	Ver.	Action By	Action	Result
2/16/2017	1	City Council	Adopted	Pass

**ADMINISTRATION** - *Joe Huss, Finance Director*

### CALLING FOR PUBLIC HEARING TO REFINANCE 2009 ALLINA HEALTH SYSTEMS CONDUIT DEBT

City Council (call for Public Hearing)    February 16, 2017  
City Council (Conduct Public Hearing)    March 16, 2017

In 2009, Allina Health Systems, a Minnesota non-profit corporation, requested the City of Minneapolis and the St. Paul HRA to issue conduit bonds on behalf of Allina and its affiliates. Included in that issue was \$2,000,000 that was used to finance improvements and acquisition of capital equipment at the Blaine Allina Medical Clinic located at 10705 Town Square Dr. NE. Since a portion of the proceeds were used for facilities located in Blaine, the City provided consent pursuant to Minnesota Statutes, Chapter 471.656 and the Internal Revenue Code.

Allina Health Systems is in the process of refinancing the 2009 bonds and again is seeking consent from Blaine pursuant to Minnesota statutes and IRS code. The resolution presented below calls for a public hearing to take place on March 16, 2017 to consider providing this consent.

The debt is considered conduit debt and, as such, is payable solely from the revenues of Allina Health Systems. The debt is neither a general nor moral obligation of the Cities of Blaine or Minneapolis, or the St. Paul HRA.

By motion, adopt the following resolution.

**BE IT RESOLVED** by the City Council (the “Council”) of the City of Blaine, Minnesota (the “City”), as follows:

1. Allina Health System, a Minnesota nonprofit corporation (“Allina”), has advised this Council of its desire to refinance, with proceeds of revenue bonds (the “Bonds”) issued by the City of Minneapolis, Minnesota and The Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, acting jointly (together, the “Issuer”), under the authority of Minnesota Statutes, Sections 469.152 through 469.165, all or a portion of revenue bonds heretofore issued by the Issuer, including (a) Health Care System Revenue Bonds, Series 2007A (Allina Health System), (b) Health Care System Variable Rate Demand Revenue Bonds, Series 2007C-1 and Series 2007C-2 (Allina Health System), (c) Health Care System Revenue Bonds, Series 2009A-1 (Allina Health System), (d) Health Care System Revenue Bonds, Series 2009A-2 (Allina Health System), (e) Health Care System Variable Rate Demand Revenue Bonds, Series 2009B-1 and Series 2009B-2 (Allina Health System), and (f) Health Care System Variable Rate Demand Revenue Bonds, Series 2009C (Allina Health System) (together, the “Refunded Bonds”).
2. The Refunded Bonds were issued on behalf of Allina to finance or refinance the acquisition, construction, renovation, remodeling and equipping by Allina or its affiliates of health care facilities located in the cities of Blaine, Brooklyn Park, Buffalo, Coon Rapids, Cottage Grove, Eagan, Forest Lake, Fridley, Minneapolis, New Ulm, Northfield, Ramsey, St. Paul, Owatonna, and Woodbury, Minnesota, including but not limited to the acquisition of certain fixtures and equipment located at the Allina Health Blaine Clinic, located at 10705 Town Square Drive NE in the City.
3. Since a portion of the facilities proposed to be refinanced by the Bonds are located in the City, Section 147(f) of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder, require that prior to the issuance of the Bonds, this Board approve the issuance of the Bonds by the Issuer, after conducting a public hearing thereon. A public hearing on the proposal that the Issuer issue the Bonds for the purpose of refunding all or a portion of the Refunded Bonds is hereby called and shall be held on March 16, 2017, at 7:30 P.M., in the City Hall, 10801 Town Square Drive NE.
4. Bond counsel for the Bonds shall cause notice of the public hearing, in substantially the form attached hereto as Exhibit A, to be published in a newspaper of general circulation in the City, once not fewer than 14 days prior to the date fixed for the public hearing.

Adopted by the City Council of the City of Blaine, Minnesota, on this 16<sup>th</sup> day of February, 2017.