



150 South Fifth Street  
Suite 3300  
Minneapolis, MN 55402

(800) 851-2920  
(612) 851-5906  
Fax (612) 851-5917

---

**DATE:** March 23, 2020

**TO:** Honorable Brad Schumacher, Mayor & Members of the City Council  
Mr. Robert Barbian, Administrator  
Mr. Steve Jackson, Finance Director  
City of Princeton

**FROM:** George Eilertson, Sr. Vice President  
Northland Securities

A handwritten signature in blue ink, appearing to be "GE", is written next to the name George Eilertson, Sr. Vice President.

**RE:** March 26, 2020 City Council meeting – Action Related to Upcoming Bond Issues

---

Northland Securities is assisting the City to take preliminary steps that will lead to the financing of the following projects:

1. **Trail project** – the estimated financing need is \$679,368. The project will be financed with general obligation tax abatement bonds financed over a 4-year term. An agenda item for the City Council to consider at the March 26<sup>th</sup> meeting is a Resolution calling for a public hearing to be held on April 23<sup>rd</sup> at 7:00 PM. General Obligation Tax Abatement Bonds may be issued at any point following the public hearing and Council approval of a Resolution approving the tax abatement.
2. **Fire Truck financing** – the estimated financing need is \$665,631. The project will be financed with General Obligation Equipment Certificates financed over a 10-year term. The fire truck will be financed in conjunction with Spencer Brook Township and Blue Hill Township. The City's bond attorney (Taft Stettinius & Hollister LLP) will be preparing a resolution for each Township to approve which pledges their proportionate share of the financing to the City.

*Note – the trail and fire truck will be financed together as one general obligation bond. We anticipate sending a term sheet to the community banks and conducting a public sale amongst the local banks.*

3. **Land Acquisition for future Industrial Park** - the estimated financing need is \$527,000. The project will be financed with taxable general obligation tax abatement bonds financed over a 15-year term. An agenda item for the City Council to consider at the March 26<sup>th</sup> meeting is a Resolution calling for a public hearing to be held on April 23<sup>rd</sup> at 7:00 PM. Taxable General Obligation Tax Abatement Bonds may be issued at any point following the public hearing and Council approval of a Resolution approving the tax abatement.

*Note – we anticipate sending a term sheet to the community banks and conducting a public sale amongst the local banks for the financing of the land acquisition.*

**Bond Issuance Timeline – (both bond issues)**

- a. Type of Sale – Public Offering amongst local banks
- b. Tax Abatement Public Hearings – Thursday, April 23, 2020
- c. Financing Proposals Received – May 7, 2020
- d. Council consideration of Proposals – Thursday, May 14, 2020 @ 7:00 PM
- e. Closing Date – approximately June 11, 2020

**Municipal Advisor agreements – (both bond issues)**

Northland Securities proposes to serve as the City's municipal advisor for both bond issues. We will guide the City through the sale process, solicit financing bids with the local banks, coordinate all necessary legal documents with the bond attorney, present the financing bids to the City Council, and coordinate the bond closing.

Thank you.