

CITY OF MARSHALL, MINNESOTA

RESOLUTION NO. 25-092

APPROVING PREPAYMENT OF UNPAID LEASE PAYMENTS UNDER  
LEASE-PURCHASE AGREEMENT BETWEEN EDA AND CITY RELATING  
TO EDA'S LEASE REVENUE BONDS, SERIES 2015 ISSUED TO  
FINANCE MUNICIPAL LIQUOR STORE CONSTRUCTED ON LAND  
LEASED BY EDA TO CITY AND CORRESPONDING OPTIONAL  
REDEMPTION OF SUCH SERIES 2015 BONDS

BE IT RESOLVED by the City Council of the City of Marshall, Minnesota (the "City") as follows:

WHEREAS, the Economic Development Authority in and for the City of Marshall, Minnesota (the "EDA") has heretofore issued its Lease Revenue Bonds, Series 2015 (the "Bonds"), dated February 10, 2015, in the original aggregate principal amount of \$3,240,000, of which \$1,020,000 in principal amount is currently outstanding; and

WHEREAS, the sale proceeds of the Bonds were applied by the EDA to the costs of acquisition, construction, and equipping of a municipal liquor store and adjacent parking lot (the "Project") on certain land owned by the City and leased to the EDA pursuant to a Ground Lease, dated as of February 1, 2015 (the "Ground Lease"), between the City, as lessor, and the EDA, as lessee; and

WHEREAS, pursuant to a Lease-Purchase Agreement, dated as of February 1, 2015 (the "Lease"), between the EDA, as lessor, and the City, as lessee, the EDA leased the Project and its leasehold interest in the Land acquired pursuant to the Ground Lease to the City, and

WHEREAS, pursuant to Sections 8.1 and 8.2 of the Lease, the City has the option to prepay unpaid Lease Payments (defined in the Lease as payments corresponding to the debt service payments on the Bonds), in whole in par upon notice to the EDA of its intention to exercise its prepayment option not less than forty-five (45) days in advance of the prepayment and payment to the EDA on the prepayment date of the prepayment amount; and

WHEREAS, at the option of the EDA, the Bonds are subject to optional redemption and prepayment on any day in whole or in part, at a price of par plus accrued interest to the redemption date. Redemption may also be made in whole or in part at the option of the City on the same terms, but only as long as the Lease is in effect and no default has occurred and is continuing under the terms of the Lease; and

WHEREAS, the Lease is in effect and no default has occurred and is continuing under the terms of the Lease; and

WHEREAS, the City Council deems it desirable and in the best interests of the sound financial management of the City that the City prepay the unpaid Lease Payments under the Lease and that the outstanding Bonds maturing on December 1 in the years 2026 through 2029, both inclusive, comprising all of the outstanding Bonds, in the aggregate principal amount of \$1,020,000, be redeemed and prepaid on February 1, 2026, or on the first date thereafter for which proper notice to the holder(s) of the Bonds can be provided (the "Redemption Date").

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Marshall, Minnesota, as follows:

1. The Bonds maturing on December 1 in the years 2026 through and including 2029, are hereby called for redemption and prepayment in the aggregate principal amount of \$1,020,000 on the Redemption Date, at a price of par and accrued interest (the "Redemption Price").

2. The Director of Administrative Services or the City Administrator of the City (the "City Official"), is hereby authorized and directed to cause to be mailed notice of the call for redemption of the Bonds, in substantially the form attached hereto in EXHIBIT A, to Old National Bank, the successor-by-merger to Bremer Bank, National Association and the registered owner of the Bonds to be redeemed, at the address shown on the registration books kept by the Executive Director of the EDA (the "Registrar"). The City Official is hereby authorized to take any and all other actions necessary or appropriate for the cash redemption and prepayment of the Bonds maturing on and after December 1, 2026, and for all other actions related thereto.

3. Adoption and certification of this resolution constitutes notice to the EDA of the City's intention to exercise its prepayment option of unpaid Lease Payments under the Lease not less than forty-five (45) days in advance of the prepayment and payment to the EDA of such unpaid Lease Payments, which payments correspond to the Redemption Price of the Bonds on the Redemption Date.

4. The Redemption Price of the Bonds, comprised of the outstanding principal amount of the Bonds plus accrued interest to the Redemption Date, will be paid from (i) available cash revenues of the City; and (ii) the debt service fund previously established for the Bonds.

Section 2. Effective Date. This resolution shall be in full force and effect from and after its approval.

Adopted by the City Council of the City of Marshall, Minnesota this 9th day of December, 2025.

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Robert J. Byrnes, Mayor

ATTEST:

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Steven Anderson, City Clerk

EXHIBIT A

Notice of Call for Redemption of Bonds

December \_\_, 2025

Old National Bank  
208 E. College Drive  
Marshall, MN 56258  
Attention: \_\_\_\_\_

*VIA FIRST CLASS U.S. MAIL*

**Re: Economic Development Authority in and for the City of Marshall, Minnesota - Lease Revenue Bonds, Series 2015**

To Whom It May Concern:

Pursuant to Section 1.08 of Resolution No. 4 adopted on January 21, 2015 (the "Bond Resolution") by the governing body of the Economic Development Authority in and for the City of Marshall, Minnesota (the "EDA"), authorizing the issuance and sale of the EDA's Lease Revenue Bonds, Series 2015 (the "Bonds"), the EDA and the City have determined to exercise their option to redeem and prepay the Bonds, in the aggregate principal amount of \$1,020,000, as forth in the attached **Schedule I**, on February 1, 2026 (the "Redemption Date") for a redemption price equal to the principal amount redeemed plus accrued interest to the Redemption Date.

Old National Bank, successor-by-merger to Bremer Bank, National Association and the holder of the Bonds hereby called for redemption, is requested to present its Bonds for payment at the office of the Executive Director of the EDA, 344 West Main Street, Marshall, MN 56258, on or before February 1, 2026.

By order of the City Council of the City of Marshall,  
Minnesota

Schedule I

**Economic Development Authority in and for the City of Marshall, Minnesota  
Lease Revenue Bonds, Series 2015**

**MATURITIES TO BE REDEEMED**

<b>Maturity Date</b> <b>December 1</b>	<b>Redeemed Amount</b>
2026	\$245,000.00
2027	250,000.00
2028	260,000.00
2029	265,000.00