<u>Scope of Work for Conduit Bond Study by Planning and Economic Development Staff</u>

As directed by the HRA Board of Commissioners at the 10/14/2020 HRA Board Meeting

A. Analysis of all conduit revenue bond transactions since 1/1/2010 (*excluding housing bonds and refunding bonds* [i])
    1. Type of entity (charter school, private school, hospital/health care, etc.)
    2. Total Project Cost/Investment
    3. Amount of Conduit Bond financing
    4. Net impact to property tax revenue (including loss of industrial or other tax producing uses and/or tax value gains)
    5. Construction jobs expected to be created (based on application)
    6. Permanent jobs expected to be created (based on application)
    7. Revenue generated in fees to the HRA
    8. Net impact to public facilities and services including streets, infrastructure and parks (if data is available, in partnership with Public Works and Parks staff)

B. Explore other cities' policies and/or guidelines on conduit bond financing decisions

C. Supplemental data on charter schools only:
    1. Options available for possible limitations with zoning, conditional use permits, etc.
    2. General data on charter school growth in Saint Paul since 1/1/2010 (number of schools, student population, etc.)

Study to be completed by March 1, 2021 and presented to the HRA Board for discussion and potential future action on the adoption of a formal conduit bond policy.

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[i] The HRA has only issued a few non-profit housing bonds since 2010 when compared to for-profit housing bonds (4 new projects for non-profits compared to 23 new projects for for-profits). Very few non-profit housing bonds result in a change to the taxable value of property. In Minnesota, only nursing home portions of the property can request exemption from property taxes. All for-profit housing projects continue to pay property taxes, etc. The issuance of refunding bonds are excluded because they are effectively refinancing earlier bond issues. The purpose of refunding bonds is to extend the term of the debt and/or secure a lower interest rate for the bonds rather than funding new activity.