



City of Saint Paul

City Hall and Court House
15 West Kellogg
Boulevard
Council Chambers - 3rd
Floor
651-266-8560

Meeting Agenda

Housing & Redevelopment Authority

Chair Cheniqua Johnson
Commissioner Anika Bowie
Councilmember Molly Coleman
Commissioner Saura Jost
Commissioner HwaJeong Kim
Commissioner Rebecca Noecker
Commissioner Nelsie Yang

Wednesday, September 17, 2025

2:00 PM

Council Chambers, City Hall

Roll Call

Staff Report

- 1 [SR 25-191](#) Introduction to Conduit Revenue Bonds for the Metro Deaf School Project

 Sponsors: Coleman

 Attachments: [Presentation](#)

- 2 [SR 25-192](#) Introduction to the Sale and Conveyance of Property to Dayton's Bluff
 Neighborhood Housing Services and Authorization to Amend the
 Development Agreement for the Village on Rivoli Project

 Sponsors: Noecker

 Attachments: [Presentation](#)

- 3 [SR 25-193](#) 2026 HRA Budget 2.0

 Sponsors: Johnson

 Attachments: [Presentation](#)

Adjournment

Housing and Redevelopment Authority Board of Commissioners (HRA) meetings are open for in person attendance, but the public may also comment on public hearing items in writing or via voicemail. Any comments and materials submitted by 12:00 p.m. of the day before the meeting will be attached to the public record and available for review by the Board. Comments may be submitted as follows:

Written public comment on public hearing items can be submitted to HRAHearing@ci.stpaul.mn.us or by voicemail at 651-266-6806. Live testimony will be taken in person in the Council Chambers, Third Floor City Hall.

Members of the public may view HRA meetings online at <https://stpaul.legistar.com/Calendar.aspx> or on local cable Channel 18.

HRA Meeting Information

The HRA is paperless which saves the environment and reduces expenses. The agendas and HRA files are all available on the Web (see below). Commissioners use mobile devices to review the files during the meeting. Using a mobile device greatly reduces costs since agendas, including the documents attached to files, can be over 100 pages when printed.

Web

Meetings are available on the City Council website. Email notification and web feeds (RSS) of newly released minutes, agendas, and meetings are available by subscription at <https://public.govdelivery.com/accounts/STPAUL/subscriber/new>. Visit <https://stpaul.legistar.com/Calendar.aspx> for meeting videos and updated copies of the agendas, minutes, and supporting documents.

Cable

Meetings are live on St Paul Channel 18 and replayed at various times. Check your local listings.



City of Saint Paul

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Phone: 651-266-8560

Master

File Number: SR 25-191

File ID: SR 25-191

Type: Staff Report

Status: Agenda Ready

Version: 1

Contact Number: 266-6680

In Control: Housing &
Redevelopment
Authority

File Created: 09/09/2025

File Name: Intro to Metro Deaf School Conduit Revenue Bonds

Final Action:

Title:

Introduction to Conduit Revenue Bonds for the Metro Deaf School Project

Notes:

Sponsors: Coleman

Enactment Date:

Attachments: Presentation

Financials Included?:

Contact Name: Jenny Wolfe

Hearing Date:

Entered by: kelly.bauer@ci.stpaul.mn.us

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Text of Legislative File SR 25-191

Introduction to Conduit Revenue Bonds for the Metro Deaf School Project



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CITY OF SAINT PAUL

INTRODUCTION TO CONDUIT REVENUE BONDS FOR METRO DEAF SCHOOL PROJECT

September 17, 2024



CONDUIT REVENUE BONDS - REVISIT

- Conduit revenue bonds are special, limited revenue obligations of the governmental issuer (i.e., the HRA or City) and generally provide tax-exempt interest rates for the borrower
 - tax-exempt interest rates reduce the cost of the debt for the borrower
- The bonds are repayable solely from the revenues of the borrower and not of the governmental issuer
- The bonds do not include a general or moral obligation of the governmental issuer and are not secured by any taxing powers of the governmental issuer
- **The HRA and City undertake no risk by issuing the bonds**



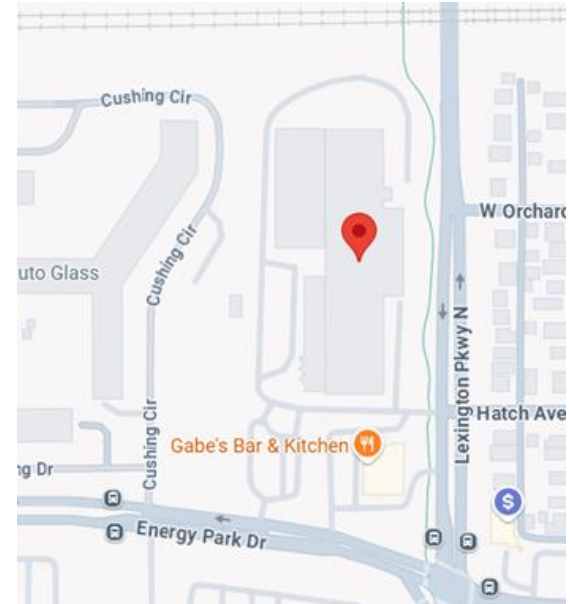
CONDUIT REVENUE BONDS FOR NONPROFIT - REVISIT

- The conduit borrower secures the loan funds either through a private lender **or a bond underwriter**
- The HRA serves only as a conduit for project financing, therefore due diligence into the project and the entities involved is completed by the private lender **or bond underwriter**
- The HRA issues conduit revenue bonds for organizations who are tax exempt under Section 501(c)(3) of the Internal Revenue Code (nonprofit entities)
- There is no limit on the amount of bonds the HRA can issue for qualified 501c3 organizations (nonprofit entities)
- In the absence of this type of financing, conventional financing (i.e., taxable interest rates) could be sought for the project.
 - increased cost of the debt to the borrower compared to tax-exempt rates



METRO DEAF SCHOOL BACKGROUND

- Metro Deaf is a Minnesota public charter school located at 1125 Energy Park Drive providing educational services benefitting Deaf, Deaf-Blind, and Hard of Hearing students in grades pre-K through 12 with a current enrollment of 175 students. The school draws students from the 7-county metro area and western Wisconsin.
- In 2018, the HRA issued \$14.975 million in conduit lease revenue bonds on behalf of the School to finance the construction of their current facility.
- The current balance is \$13.825 million.





METRO DEAF SCHOOL PROJECT

- 1House2Hands, the affiliated building company for the Metro Deaf Charter School, applied to the HRA to issue up to \$12.5 million in conduit lease revenue and refunding bonds to finance an expansion to their current facility and to refinance/refund a portion of the prior bonds issued by the HRA.
 - The School is proposing to demolish an existing storage garage and construct a 24,950 square feet addition to the school building to include gym and classroom space
 - The building has been designed with much input by the staff and main stake holders to create spaces that address the unique and specific needs of the students
- In addition to the HRA issued bonds, the school has also applied to the Port Authority (joint application) for their issuance of up to \$5 million in Bank Qualified (BQ) conduit lease revenue bonds.
 - The HRA cannot issue BQ bonds, and it is our practice to request the Port to issue when they are able.



METRO DEAF SCHOOL PROJECT

- The 2025 Bonds will be issued in an amount not to exceed \$12,500,000 and will be sold as a Public Offering with Raymond James serving as the **bond underwriter**
- The 2025 Bonds will not be rated and will be sold in minimum bond of \$100,000 consistent with PED's conduit bond policy
 - Each initial purchaser will be required to execute an Investor Letter
- Total estimated cost of the Project is \$15,108,802 and includes a contribution from the School of \$1,070,777; the proposed sources and uses is shown on the following slide



METRO DEAF SCHOOL PROJECT

Sources and Uses Proposed 2025 Bonds

| Sources of Funds | Amount |
|------------------------------------|---------------------|
| Series 2025 Bonds – HRA Issued | \$8,735,000 |
| BQ Bonds issued by Port Authority | 4,145,000 |
| Prior Bonds Transfers/Excess Funds | 1,158,025 |
| Equity from School | 1,070,777 |
| Total Sources of Funds | \$15,108,802 |
| Uses of Funds | Amount |
| Project Fund | \$9,000,000 |
| Refunding Account | 4,360,871 |
| Debt Service Reserve Fund | 1,191,333 |
| Costs of Issuance/UD/Rounding | 556,598 |
| Total Uses of Funds | \$15,108,802 |



METRO DEAF SCHOOL PROJECT

- The PED Credit Committee reviewed the proposal on September 2
- The review consists of a determination that the proposed bond issuance meets PED's conduit bond policies
 - The policies cover the fees to be collected and the sale and placement requirements for HRA issued conduit revenue bonds
- Metro Deaf will pay all required fees*, and the 2025 Bonds will be sold consistent with HRA required placement and sale requirements, which include the required minimum bond denominations and investor letters
- The HRA is currently collecting fees from the bonds for which a portion will be refinanced; with the expansion project we will collect additional fees, including a closing fee equal to 0.25% of the bond principal issued (\$21,837.50 for \$8.735M as shown on the prior slide)

**The HRA and Port are sharing the \$5,000 application fee*



METRO DEAF SCHOOL PROJECT

- As stated earlier, conduit revenue bonds are special, limited revenue obligations of the governmental issuer and are repayable solely from the revenues of the borrower and not of the governmental issuer
- The 2025 Bonds do not include a general or moral obligation of the City or HRA and are not secured by any taxing powers of the City or HRA
- The HRA receives fees for issuing the 2025 Bonds



GOVERNMENTAL APPROVALS

- The HRA Board is required to authorize the issuance of the bonds and to hold a public hearing
- The City Council is also required to authorize the issuance of the bonds by the HRA
- Resolutions will be considered by both the HRA Board and City Council on September 24
 - The City Council will also consider a resolution authorizing the bonds to be issued by the Port Authority on this same date
- Metro Deaf anticipates closing on the financing in November



COMPLIANCE REQUIRED FOR CONDUIT REVENUE BONDS

- The following compliance will be required for the proposed project:
 - Affirmative Action/Equal Employment Opportunity (AA/EEO) – Requiring all contractors/subs to have goals for project hours for minorities and women; and to file an affirmative action program registration to diversify and implement fair employment practices with its workforce
 - Prevailing wages on construction labor requiring onsite workers whose duties are physical or manual to be paid weekly minimum prevailing rates including fringe benefits
 - Vendor Outreach Program – project-specific goals for purchasing goods and services from certified Small, Women-Owned and Minority-Owned businesses



METRO DEAF SCHOOL CONTACT

- Dr. Susan Outlaw, the Executive Director for the School is present to answer any questions
 - Susan Outlaw, soutlaw@mdsmn.org
 - 651-224-3995



Questions?

Staff Contact:

Jenny Wolfe, PED, HRA Debt Manager

651-266-6680

jenny.wolfe@ci.stpaul.mn.us



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Phone: 651-266-8560

Master

File Number: SR 25-192

File ID: SR 25-192

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Status: Agenda Ready

Version: 1

**Contact
Number:**

In Control: Housing &
Redevelopment
Authority

File Created: 09/09/2025

File Name:

Final Action:

Title:

Introduction to the Sale and Conveyance of Property to Dayton's Bluff
Neighborhood Housing Services and Authorization to Amend the Development
Agreement for the Village on Rivoli Project

Notes:

Sponsors: Noecker

Enactment Date:

Attachments: Presentation

Financials Included?:

Contact Name:

Hearing Date:

Entered by: kelly.bauer@ci.stpaul.mn.us

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Text of Legislative File SR 25-192

Introduction to the Sale and Conveyance of Property to Dayton's Bluff Neighborhood Housing
Services and Authorization to Amend the Development Agreement for the Village on Rivoli
Project



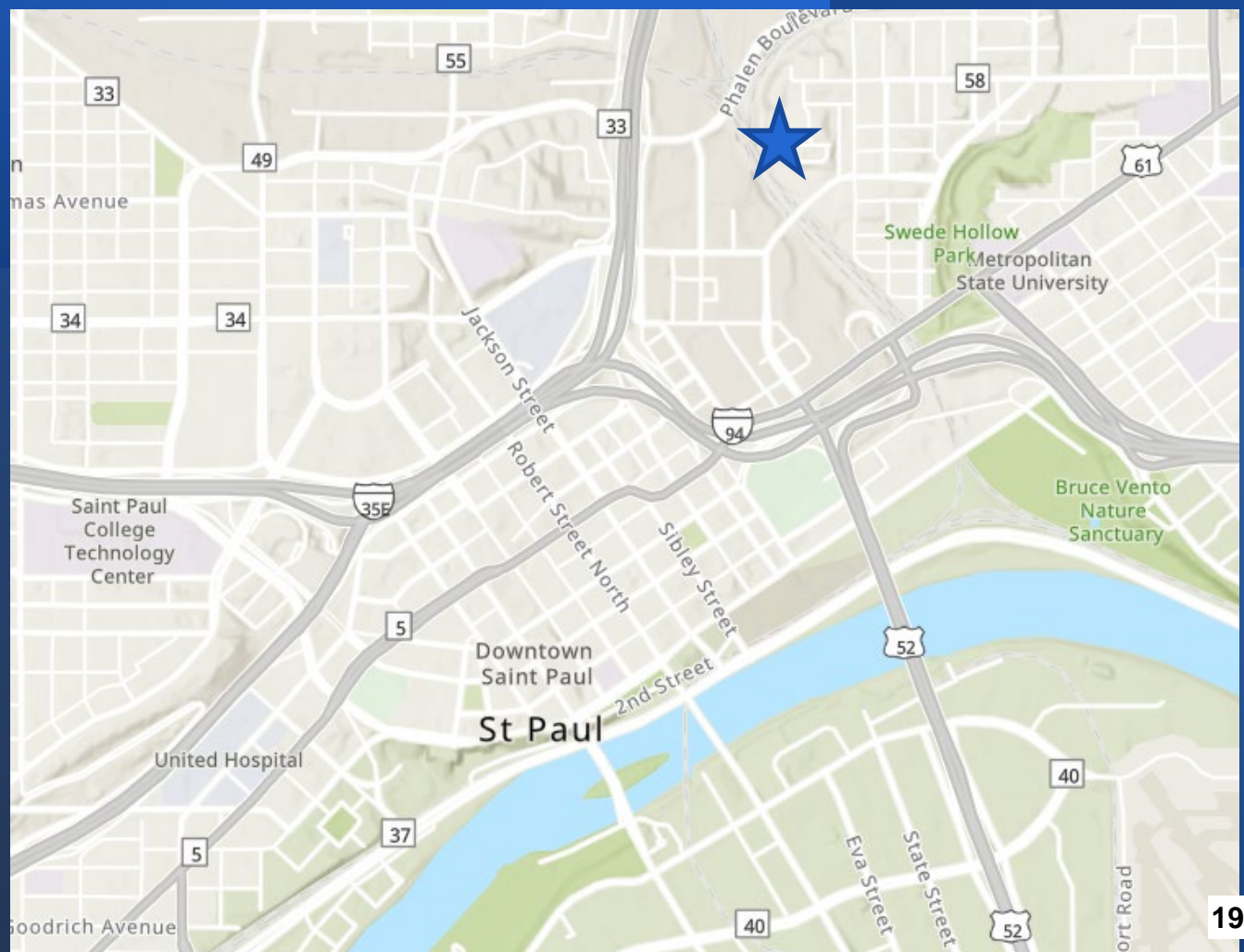
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CITY OF SAINT PAUL

Village on Rivoli Land Sale

September 17, 2025

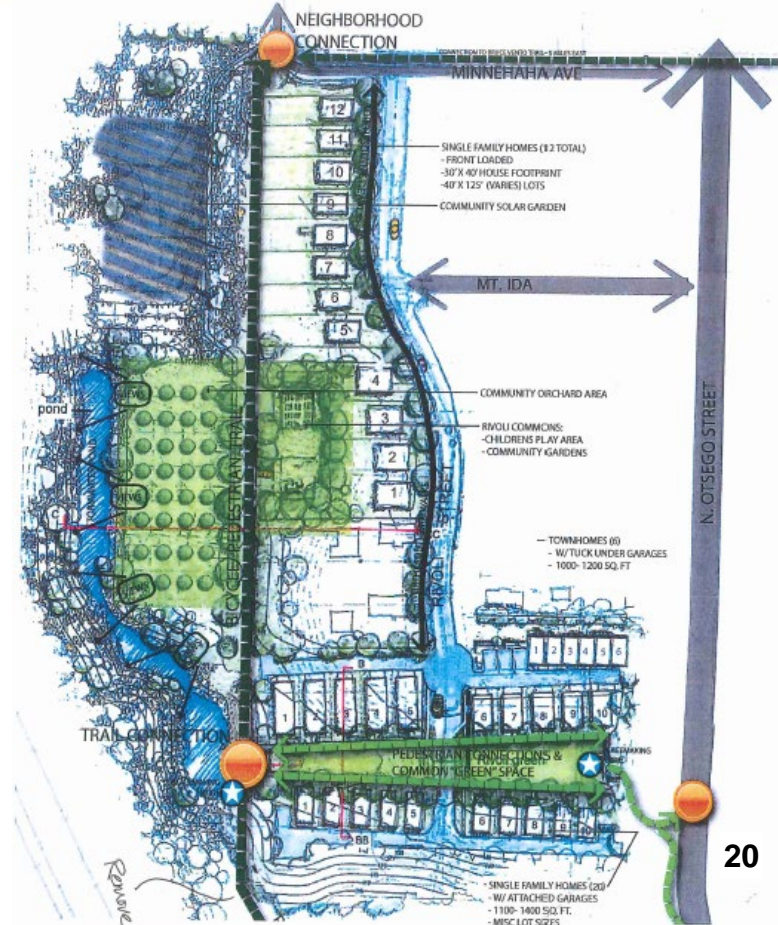
Village on Rivoli Location

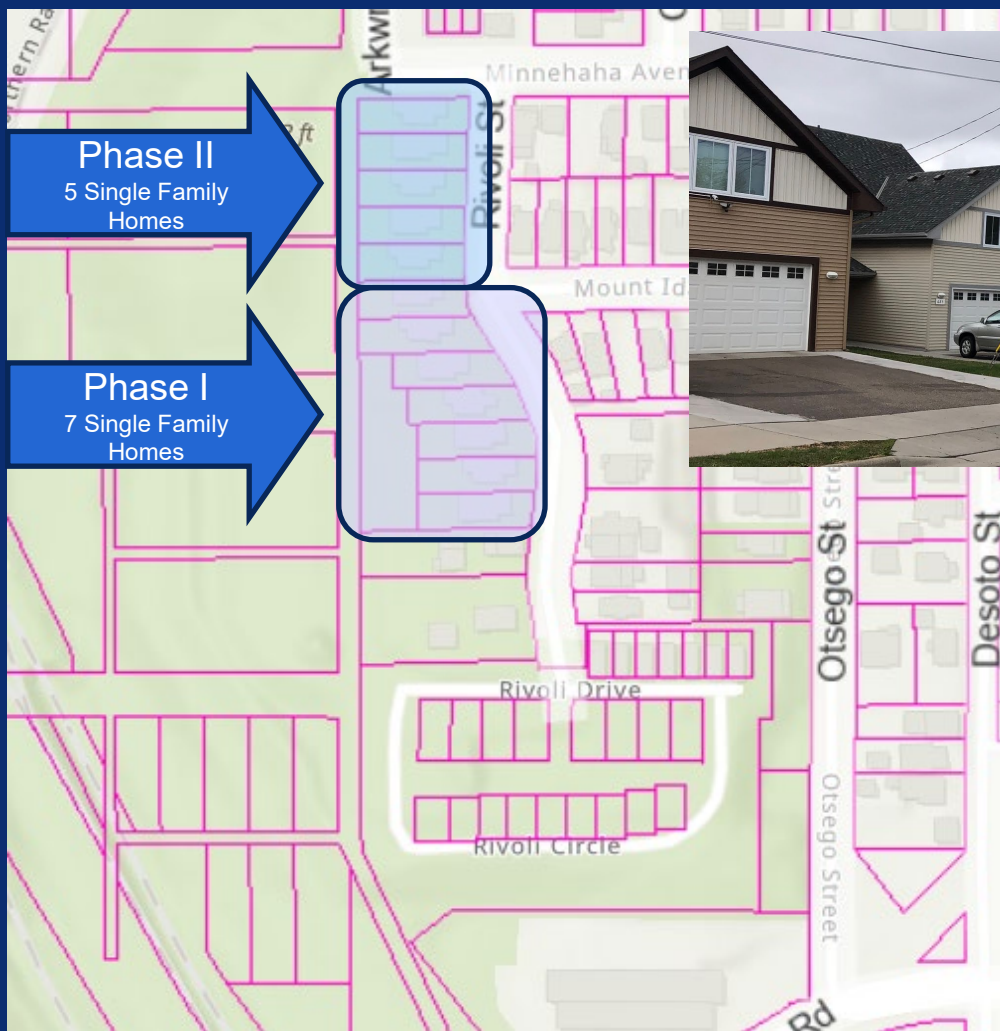


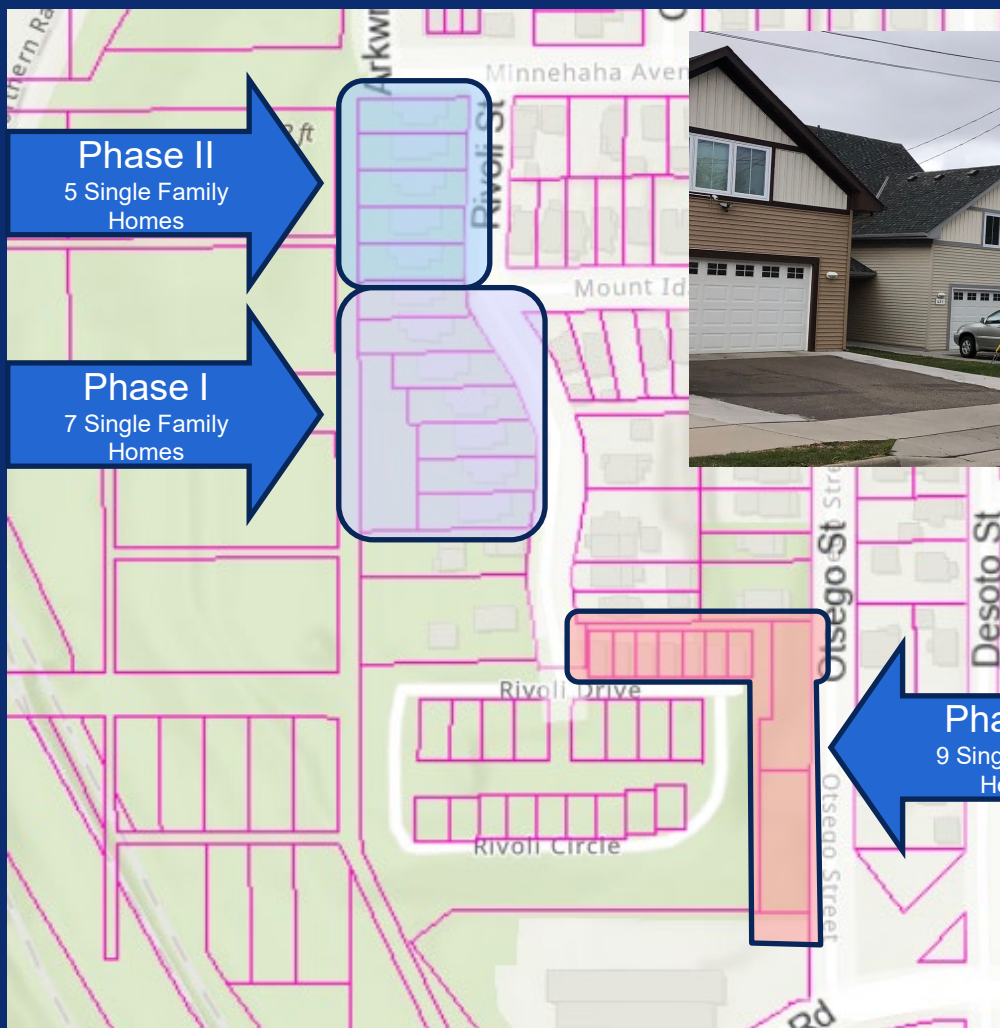


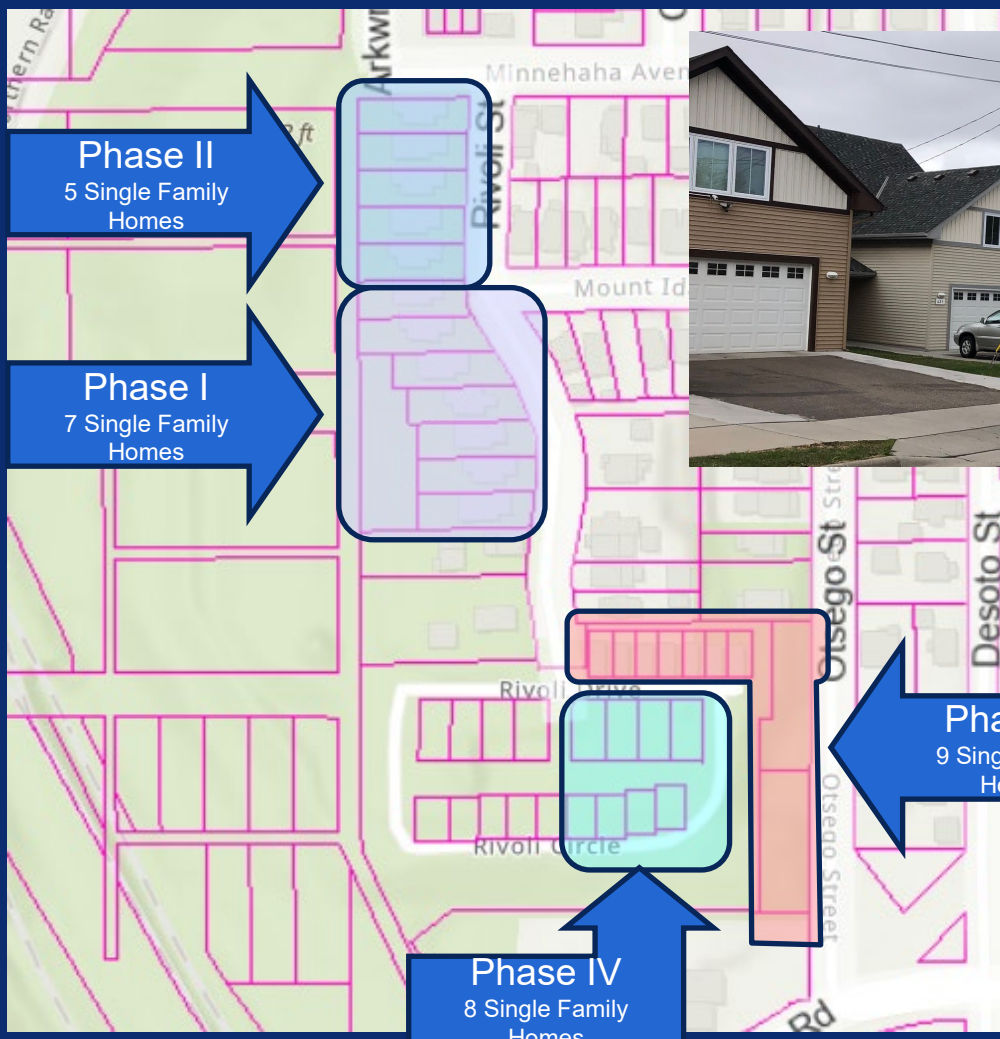
Village on Rivoli Background

- Beginning in 2004, Dayton's Bluff Neighborhood Housing Services (DBNHS) worked with the City, HRA, MHFA, HUD, Pollution Control Agency, District 5 and the Railroad Island Task Force to fund cleanup, redevelopment and planning efforts.
- DBNHS (developer) began construction in phases:
 - 2016 – Phase I (7 single family homes)
 - 2017 – Phase II (5 single family homes)
 - 2020 – Phase III (9 single family homes)
 - 2025 – Phase IV (8 single family homes)
- Homeowner household income ranges from 80% - 115% AMI









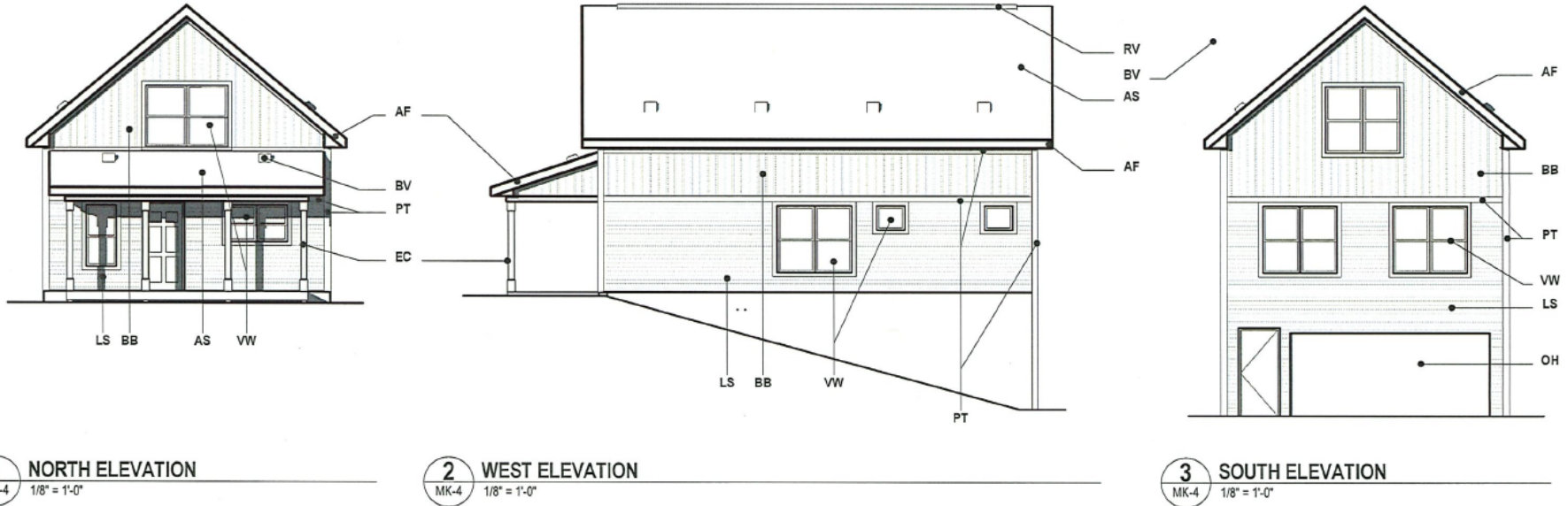


Requested Action

- Authorization to **convey 8 HRA-owned parcels** to DBNHS for development of single family housing
- Authorization to **amend the Development Agreement** to incorporate additional parcels and corresponding budget

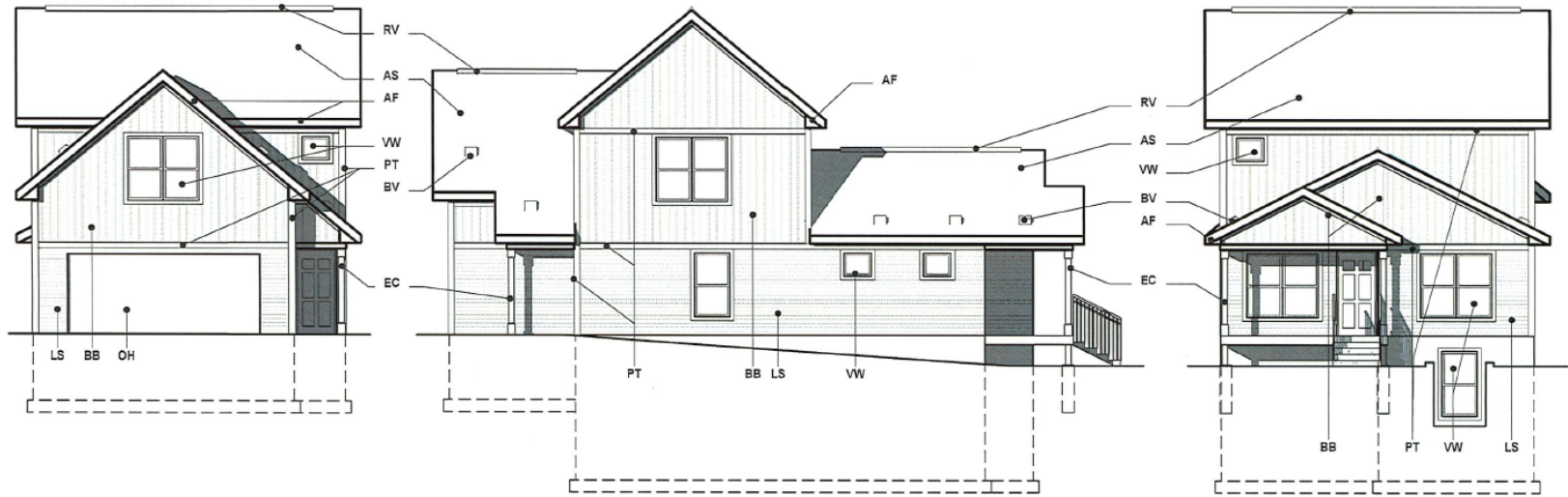


Home Designs





Home Designs



1 NORTH ELEVATION
1/8" = 1'-0"

3 WEST ELEVATION
1/8" = 1'-0"

2 SOUTH ELEVATION
1/8" = 1'-0"



Sources and Uses

| Sources | |
|--|---------------------|
| DBNHS Construction Loan/Sales Price | \$ 2,080,000 |
| Pre-Paid Site Remediation & Infrastructure | \$ 698,240 |
| DBNHS CDBG Subgrant | \$ 225,000 |
| MHFA Grant | \$ 2,053,380 |
| | |
| Total Sources | \$ 5,056,620 |

| Uses | |
|-----------------------------------|---------------------|
| Acquisition | \$ 48,000 |
| Site Remediation & Infrastructure | \$ 912,240 |
| Construction | \$ 2,885,200 |
| Contingency | \$ 201,960 |
| Professional Fees / Soft Costs | \$ 625,440 |
| Developer Fee | \$ 376,780 |
| | |
| Total Uses | \$ 5,056,620 |

Questions?



SAINT PAUL
PLANNING & ECONOMIC
DEVELOPMENT



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Authority

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2026 HRA Budget 2.0

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Sponsors: Johnson

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Attachments: Presentation

Financials Included?:

Contact Name: Nicole Green

Hearing Date:

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Text of Legislative File SR 25-193

2026 HRA Budget 2.0



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HRA Budget

Wednesday, September 17, 2025



Additional Budget Details:

- **Transfers**
 - Additional budget presentation at later date.
- **Budget to Actuals**
 - Recommend best practices of annual or semi-annual reporting.
- **Full Stack**
 - Program is 'Full Stack Saint Paul'. Distinction is not made based on funding source to avoid confusion in community and encourage accessible and equitable access.
- **Data Management Systems**
 - PED is continuing process to determine best practices for data management, especially post-cyber security incident, and will work closely with OTC in 2026 to update systems.



2025 Investments:

- Office to Housing fee waiver
 - No projects yet in 2025, but projects in pipeline for 2026.
- Downpayment Assistance
 - \$480,000 spent and \$1,240,000 reserved
- Homeowner Rehab
 - Program will conclude in 2025 and will continue to support homeowners and renters through existing and expanded programs.
- Emergency Rent Assistance
 - In process of launching and working on technical assistance post-cyber security incident to ensure quick and secure transfer of funds.
- Catholic Charities
 - Funds are expected to be fully utilized this year.
- Power of Home
 - 2025 budget has not been expended and will not carryover dollars.



2025 Investments:

- Inheritance Fund
 - No spending in 2025. \$100K has been reserved for Rondo and 3 projects in review for West Side Flats totaling \$240K
 - Rondo IF is pending additional planned public engagement and plans to fully utilize 2026 budget of \$1M
- District Council
 - Allocations have been reset based on increased support of \$200K
- Business Assistance (2025)/Business Retention Fund (2026)
 - 2025 spending is planned to cover ongoing business assistance and other support activities (Grow Downtown, Technical Assistance support for businesses)
 - 2026 would maintain the ongoing support
- Breakdown of Economic Development Star
 - PED allocation includes \$1.1million in eligible City Capital projects and
 - \$1million for Commercial Corridors