

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

City Hall and Court House
15 West Kellogg
Boulevard
Phone: 651-266-8560

Master

File Number: SR 25-213

File ID: SR 25-213

Type: Staff Report

Status: Agenda Ready

Version: 1

Contact Number: 266-6660

In Control: Housing &
Redevelopment
Authority

File Created: 09/29/2025

File Name: Reservation of Year 2026 Low-Income Tax Credits
for The Aragon Development, located at 470 White
Bear Avenue, District 1, Ward 7

Final Action:

Title: Reservation of Year 2026 Low-Income Tax Credits for The Aragon
Development, located at 470 White Bear Avenue, District 1, Ward 7

Notes:

Sponsors: Johnson

Enactment Date:

Attachments: Presentation-2026 LIHTC Reservation

Financials Included?:

Contact Name: Jules Atangana

Hearing Date:

Entered by: thea.gaither@ci.stpaul.mn.us

Ord Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File SR 25-213

Reservation of Year 2026 Low-Income Tax Credits for The Aragon Development, located at 470
White Bear Avenue, District 1, Ward 7



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CITY OF SAINT PAUL

2026 Low Income Housing Tax Credit Reservation

October 2025



Background

- The Federal Tax Reform Act of 1986 created the Low-Income Housing Tax Credit Program (the “Credit Program”), which provides a reduction in federal tax liability to owners and investors of qualified low-income housing developments that comply with federally imposed rent and tenant income restrictions
- The Minneapolis/St. Paul Housing Finance Board (the "Joint Board") is a suballocator of tax credits
- The HRA Board is authorized to administer, reserve and allocate credits for projects in St. Paul



Background

- Projected allocation of credits for St. Paul in 2026 is \$1,140,454.00
- RFP notice publication for 2026 credits: June 12, 2025
- RFP deadline for submission of applications: July 24, 2025
- Staff received 3 applications:
 - The Aragon (Beacon Interfaith – 540 White Bear Ave)
 - Highland Bridge Phase III (PPL – Bohland and Cretin Ave)
 - Ramsey Hill (Trellis Co. - 232 Marshall Ave)



Project: The Aragon

Project Name:	The Aragon
Address:	540 White Bear Avenue
Developer:	Beacon Interfaith Housing Collaborative
Owner:	Beacon Interfaith Housing Collaborative or affiliate LP
Project Type:	New Construction
Total Units	53
Zoning District	H2 Residential Zoning District
Eminent Domain	none
Project Cost	\$27,415,982
City Financing to be requested:	\$500,000
2025 Housing Tax Credit requested:	\$2,322,740



Project: Highland Bridge Phase III

Project Name:	Highland Bridge Phase III
Address:	Bohland and Cretin Ave.
Developer:	PPL
Owner:	PPL or affiliate
Project Type:	New Construction
Total Units	59
Zoning District	F4 Residential Mixed High District
Eminent Domain	none
Project Cost	\$26,825,951
City Financing to be requested:	\$3,000,000
2025 Housing Tax Credit requested:	\$2,054,304



Project: Ramsey Hill

Project Name:	Ramsey Hill
Address:	232 Marshall Avenue
Developer:	Trellis Co.
Owner:	Trellis Co. And affiliate
Project Type:	Rehabilitation
Total Units	54
Zoning District	RM2 Medium Density Residential
Eminent Domain	none
Project Cost	\$17,114,812
City Financing to be requested:	\$1,400,000
2025 Housing Tax Credit requested:	\$1,515,000



Scoring

Criteria	Description	The Aragon	Highland Bridge III	Ramsey Hill
A1	Percentage 30% AMI (up to 10 points)	10	10	10
A2	Percentage 50% AMI (up to 6 points)	3	6	3
A3	Homelessness (up to 25 points)	18	18	12
B1	New construction outside of QCT	0	5	0
B4	Rehab that preserves project-based Section 8 assistance	0	0	1
C1	Healthy Communities, Wealth and Community Building (up to 9 points)	7	6	5
C2	Neighborhood Support (1 point)	1	1	1
C4	Non-Profit Status (2 points)	2	2	2
C5	Non-Smoking policy (1 point)	1	1	1
D1	Larger-sized Family Housing Units (up to 15 points)	15	15	0
D2	Transit (up to 3 points)	3	3	3
D4	Equity and Cultural Integration (up to 10 points)	10	0	10
D5	Tenant Selection Plan (up to 4 points)	4	4	3
Eb	Project has and HRA/City debt obligation	0	0	5
F2	Intermediary costs/Soft costs (up to 4 points)	2	2	2
F4	Long term affordability (up to 7 points)	7	7	7
Total		83	80	65



Recommendation

Approval of the reservation of the 2026 LIHTC in the amount of \$1,140,454.00 for the Aragon project



Jules Atangana

Housing Director

Phone: 651-266-6660

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City of Saint Paul

City Hall and Court House
15 West Kellogg
Boulevard
Phone: 651-266-8560

Master

File Number: SR 25-214

File ID: SR 25-214

Type: Staff Report

Status: Agenda Ready

Version: 1

Contact Jenny Wolfe
Number:

In Control: Housing &
Redevelopment
Authority

File Created: 09/29/2025

File Name: Introduction to Twin Cities German Immersion
Conduit Bond Project

Final Action:

Title: Introduction to Twin Cities German Immersion Conduit Bond Project

Notes:

Sponsors: Kim

Enactment Date:

Attachments: Intro to Conduit Bonds for Twin Cities German
Immersion School

Financials Included?:

Contact Name: 266-6680

Hearing Date:

Entered by: thea.gaither@ci.stpaul.mn.us

Ord Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File SR 25-214

Introduction to Twin Cities German Immersion Conduit Bond Project



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CITY OF SAINT PAUL

INTRODUCTION TO CONDUIT REVENUE BONDS FOR TWIN CITIES GERMAN IMMERSION SCHOOL

October 8, 2025

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CONDUIT REVENUE BONDS - REVISIT

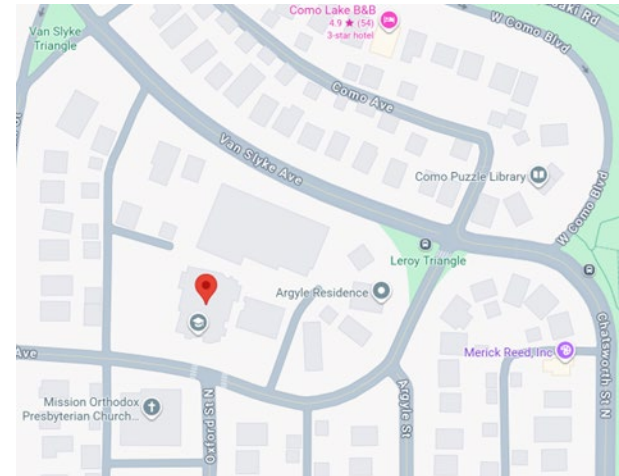
- Conduit revenue bonds are special, limited revenue obligations of the HRA and generally provide tax-exempt interest rates for the borrower*
 - tax-exempt interest rates reduce the cost of the debt for the borrower
- The bonds do not include a general or moral obligation of the HRA or City and are not secured by any taxing powers of the HRA or City
- **The bonds are repayable solely from the revenues of the borrower**
- The HRA serves only as a conduit for project financing, and the borrower secures the loan funds either through a private lender or a bond underwriter, which entity therefore completes due diligence into the project and the entities involved
- **The HRA and City undertake no risk by issuing the bonds**
- In the absence of the HRA issued bonds, the borrower would need to seek conventional financing (i.e., taxable interest rates), therefore increasing the cost of their debt

**The borrower, in this case, is an organization that is tax exempt under Section 501(c)(3) of the Internal Revenue Code (nonprofit entity)*



TWIN CITIES GERMAN IMMERSION SCHOOL

Twin Cities German Immersion School (TCGIS) is a Minnesota public charter school located at 1031 Como Avenue. The school was founded in 2005 with Kindergarten and Grade 1 and added grades each year and now currently serves grade K through 8 with a current enrollment of 550.





TWIN CITIES GERMAN IMMERSION SCHOOL BACKGROUND

- In 2013, the HRA issued \$8,545,000 in conduit revenue bonds to finance the acquisition and construction of the school's current facility (the "Prior Bonds")
- The current outstanding balance of the Prior Bonds is \$6,815,000
- In 2019, TCGIS completed additional renovations to their facility and the HRA issued \$7,155,000 in conduit revenue bonds (the "2019 Bonds")
- TCGIS is authorized by the University of St. Thomas and is focused on innovative education of the whole child through German Immersion



TWIN CITIES GERMAN IMMERSION SCHOOL PROPOSAL

- TCGIS applied to the HRA to issue up to \$10 million in conduit revenue bonds to refinance/refund the Prior Bonds
- The purpose of the refinancing is to reduce annual bond payments, through an extension of the final maturity date for the Prior Bonds
- The 2025 Bonds will be issued in an amount not to exceed \$10,000,000 and will be sold as a Public Offering with Piper Sandler serving as the bond underwriter
- The 2025 Bonds will be sold in minimum bond denominations consistent with PED's conduit bond policy which will depend on the credit rating
 - The bond underwriter is anticipating a credit rating of BB from S&P, resulting in required minimum bond denominations of \$25,000



TWIN CITIES GERMAN IMMERSION SCHOOL PROPOSAL

- The Prior Bonds mature July 1, 2044, and the proposed 2025 Bonds will extend the final maturity date to July 1, 2065 (21 additional years)
- Current projections include bond payment savings of approximately \$55,000 per year
- The 2025 Bonds are special, limited revenue obligations of the HRA and are repayable solely from the revenues of the School and not of the HRA or City and the HRA receives fees (revenue) for issuing the conduit revenue bonds
- **The 2019 Bonds are not included in the refinancing and will remain in place**
- The proposed sources and uses for the 2025 Bonds is shown on the following slide



TWIN CITIES GERMAN IMMERSION SCHOOL PROPOSAL

Sources and Uses

Proposed 2025 Bonds

Sources of Funds	Amount
Series 2025A Bonds (Tax-Exempt)	\$7,120,000
Series 2025B Bonds (Taxable)	270,000
2013 Reserve Fund	566,750
2013 Bond Fund Transfer	188,583
Total Sources of Funds	\$8,145,333

Uses of Funds	Amount
Refund Series 2013 Bonds	\$6,939,942
Fund DSRF	822,937
Underwriter Discount	129,325
Costs of Issuance/Rounding	253,129
Total Uses of Funds	\$8,145,333



TWIN CITIES GERMAN IMMERSION SCHOOL PROPOSAL

- The PED Credit Committee reviewed the proposal on September 23
- 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
- TCGIS 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
- The HRA is currently collecting fees from the Prior Bonds; with the extended final maturity we will collect additional fees (revenue), including a closing fee equal to 0.25% of the bond principal issued (\$18,475 for \$7.39M as shown on the prior slide)
 - The HRA's General Fund budget for 2025 includes \$2.9M of conduit bond fee revenue, and of this total \$772K is from closing fees and the above represents 2.4% of the budget



GOVERNMENTAL APPROVALS

- The HRA Board is required to authorize the issuance of the bonds and to hold a public hearing (with the extension of the final maturity)
- The City Council is also required to authorize the issuance of the bonds as the elected representative of the governmental unit
- **Resolutions will be considered by both the HRA Board and City Council on October 15**
- As stated earlier, the 2025 Bonds are special, limited revenue obligations of the HRA and are repayable **solely from the revenues of the borrower and not of the HRA or City**
- **The HRA receives fees (revenue) for issuing the 2025 Bonds**



COMPLIANCE REQUIRED FOR CONDUIT REVENUE BONDS

- The following compliance will be required for the transaction:
 - Affirmative Action/Equal Employment Opportunity (AA/EEO) – Requiring the borrower (the school's building company) to file an affirmative action program registration to diversify and implement fair employment practices with its workforce
- This is a refinancing only and no construction is included which would have required additional compliance



TWIN CITIES GERMAN IMMERSION SCHOOL CONTACT

- Elizabeth Zehnpfennig, the Executive Director/Principal for the School is present to answer any questions
 - Elizabeth Zehnpfennig, ezehnpfennig@tcgis.org
 - 651-492-7106



Questions?

Staff Contact:

Jenny Wolfe, PED, HRA Debt Manager

651-266-6680

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