HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA

REPORT TO THE COMMISSIONERS **DATE: JANUARY 7, 2026**

REGARDING: RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF CONDUIT MULTIFAMILY HOUSING REVENUE BONDS UNDER A REVISED STRUCTURE AND APPROVING THE EXECUTION OF RELATED DOCUMENTS; 200 WILKIN STREET, JOSEPH'S POINTE AT UPPER LANDING PROJECT, DISTRICT 9, WARD 2

Requested Board Action

The specific action being requested of the HRA Board is approval to issue a maximum of $13,000,000 in volume cap conduit multifamily housing revenue bonds under a revised structure for the Joseph's Pointe project located at 200 Wilkin Street; and approval of the execution of related documents.

Background

Joseph's Pointe is an existing 4-story multifamily, approximately 154,000 square feet development located at 200 Wilkin Street. There are ninety (90) units with a mix of seventy-four (74) two-bedrooms and sixteen (16) three-bedrooms. Parking includes eighty-eight (88) subsurface stalls and ten (10) surface stalls.

It was developed by Shelter Corporation in 2004 using Low-Income Housing Tax Credits (LIHTC). All the units are rent- and income- restricted by a Land Use Restrictive Agreement (LURA) to 60% of Area Median Income (AMI). In 2019, the building entered its Extended Use Period, which extends the compliance period by 15 years until 2034. In addition to the LURA, the building has a total of 15 units that are reserved for project-based vouchers and income restricted to 30% of AMI. These units are secured with a Home Assistance Payment (HAP) contract and a Minnesota Families Affordable Rental Investment Fund Program (MARIF) Declaration. The MARIF expires in 2034, and the HAP was extended another 20 years in 2024 for fifteen (15) units.

Schafer Richardson, the developer, is requesting up to $13,000,000 of conduit multifamily revenue bonds and $1,600,000 in gap funding to maintain affordability past 2034 while also addressing

deferred and ongoing maintenance issues. The rehabilitation will include a new solar ready roof, window repairs, HVAC replacement in common areas, water heater replacement, various mechanical work, plumbing, electrical improvements, and more.

Below is a description of unit types, rents, and income restrictions based on the proposed new funding.

Unit Type	# of Units	Rent Limit	Income Limit
2BR	12*	60%	30%
2BR	62	60%	60%
3BR	3*	60%	30%
3BR	13	60%	60%

**Project-based voucher units*

All ninety (90) units will be affordable at 60% of AMI until 2066 or 32 years after the expiration of the original LURA. Fifteen (15) units will be affordable at 30% of AMI for at least 20 years.

Budget Action

This is a conduit bond issue. The bonds shall not constitute an indebtedness, liability, general or moral obligation, or pledge of the faith or credit or taxing power of the HRA, City of Saint Paul, or any agency or political subdivision thereof, and shall not constitute indebtedness of any of the foregoing within the meaning of any constitutional, statutory, or charter provision, nor be a charge against their respective general assets, credit or taxing powers, and do not grant the owners or holders of the bonds any right to have the HRA, City of Saint Paul or any agency or political subdivision thereof to levy any taxes or appropriate any funds for the payment of the principal thereof or interest thereon. Principal and interest on the bonds are payable solely out of the revenues and other sources pledged to the payment thereof as described in the bond documents.

Future Action

N/A

Financing Structure

Schafer Richardson is requesting up to $13,000,000 of conduit multifamily housing revenue bonds and $1,600,000 in gap funding. Gap financing sources were approved by the HRA Board on September 3, 2025 via RES 25-1350.

Conduit Multifamily Housing Revenue Bonds

The HRA held a public hearing for the Housing Program and subsequently approved the issuance of the bonds on September 3, 2025, via RES PH 25-191. The structure of the bond financing plan has changed, thus requiring approval of a new financing plan and documents related to this project. The new bond structure is described below.

There is a total not to exceed of $13,000,000 of bond authority being requested. The conduit multifamily housing revenue bonds would be issued by the HRA to acquire and rehabilitate the property.

The Series 2026 Bonds will be directly purchased by a private investor and Colliers Securities LLC is serving as Underwriter. There will be two bond series totaling approximately $12,500,000. The details are summarized below:

- **Series 2026A-1 Tax Exempt Bonds ($10,700,000)** – estimated 5.80% interest rate, semi-annual payments with interest only until 2/1/2029 or three (3) years from closing; final maturity is 2/1/2043 or approximately seventeen (17) years from closing, subject to a balloon payment at maturity.
- **Series 2026A-2 Taxable Permanent Bonds ($1,800,000)** – estimated 9.67% interest rate, estimated 5.80% interest rate, semi-annual payments with interest only until 2/1/2029 or three (3) years from closing; final maturity is 2/1/2043 or approximately seventeen (17) years from closing, subject to a balloon payment at maturity.

The bonds are fully advanced at closing and are secured by a first mortgage, security interest on the property, an assignment of income, leases, and rents, among other documents. The Bonds will be purchased by Colliers Securities LLC and sold to a single investor in minimum denominations of $100,000 and any integral multiple of $5,000. The Lender will execute an Investor Letter, the form of which will be provided by the HRA.

PED Credit Committee Review

The PED Credit Committee reviewed the revised proposal for conduit bonds on December 23, 2025, and found it to be consistent with the HRA/PED's conduit bond policy.

Compliance

The Applicant has signed the 1st compliance letters regarding this project. The project will comply with the following programs and/or requirements: Vendor Outreach Program, Affirmative Action, Labor Standards, Project Labor Agreement, Sustainable Building Policy, Two Bid Policy, and Compliance Agreement for Conduit Bonds.

Green/Sustainable Development

The Sustainable Building Ordinance is applicable to this project.

Environmental Impact Disclosure

A consolidated environmental review under Part 50 has been completed by HUD.

Historic Preservation

N/A

Public Purpose/Comprehensive Plan Conformance:

The proposed project will rehabilitate an existing building and maintain affordability for 90 units. The Project meets the following goals established by the City's 2040 Comprehensive Plan:

- Housing Policy H-2: Address housing deficiencies and encourage reinvestment in residential properties by supporting maintenance and rehabilitation programs for property owners.
- Housing Policy H-10: Encourage the use of energy efficient mechanical systems and building products in rehabilitation and new construction to decrease building operation costs and impacts on the environment.
- Housing Policy H-32: Continue to use City/HRA resources to support affordable rental housing citywide with at least 30 percent of the total rental units (both market-rate and

affordable) financially assisted by the City/HRA being affordable to households earning 60 percent or less of AMI with at least:

  - 10 percent of all units being affordable to households earning 30 percent of AMI;
  - 10 percent of all units being affordable to households earning 50 percent of AMI; and
  - 10 percent of all units being affordable to households earning 60 percent of AMI.

- Housing Policy H-39: Promote preservation of existing income-restricted affordable housing units to ensure continued affordability of those units.
- Housing Policy H-42: Pursue public and private funding sources, including local sources, for affordable housing preservation and production.

Recommendation:

The Executive Director recommends approval of one or more resolutions which approves the following actions:

1. Approval of the resolution authorizing final approval for the HRA to issue up to $13,000,000 in conduit multifamily housing revenue bonds under the revised structure for the benefit of Wilkin Street LLLP and/or affiliated entities, to assist in the financing of the Joseph's Pointe acquisition and rehabilitation project.
2. Authorize the entrance into loan agreements, and related documents with Schafer Richardson, Wilkin Street LLLP and/or affiliated entities.
3. Authorize the Executive Director or her designees to finalize all documents for execution by the appropriate HRA Officers in connection with the Joseph's Pointe project.

Sponsored by: Commissioner Rebecca Noecker

Staff: Hannah Chong, 651-266-6552

Attachments

- **Map**
- **Neighborhood Profile**