

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

REPORT TO THE COMMISSIONERS

DATE: August 20, 2025

REGARDING: RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF  
CONDUIT CHARTER SCHOOL LEASE REVENUE REFUNDING  
BONDS, UNDER MINNESOTA STATUTES, SECTIONS 469.152  
THROUGH 469.1655, FOR THE TWIN CITIES ACADEMY  
PROJECT, 690 BIRMINGHAM STREET AND APPROVING  
RELATED DOCUMENTS

District 1, Ward 7

## Requested Board Action

Approval for the HRA to issue up to \$15,000,000 in conduit charter school lease revenue refunding bonds, (“Bonds”) for the Twin Cities Academy Affiliated Building Company (TCAABC), a nonprofit corporation (“Borrower”).

## Background

Twin Cities Academy (TCA) is a Minnesota public charter school located at 690 Birmingham Street serving students in grades 6 through 12 with a current enrollment of 540 students, a map is **attached**. The school first opened as two separate charter schools, with a separate high school. As of July 1, 2016, both schools were merged into one 6-12 grade secondary charter school. TCA is authorized by the University of St. Thomas and is focused on college prep and service-learning.

In 2015, the HRA issued \$15,535,000 in conduit revenue bonds to finance the acquisition and construction of their current facility (the “Prior Bonds”) as authorized by HRA RES 15-944. The current outstanding balance of the Prior Bonds as of July 1, 2025, is \$13,925,000. TCA has applied to the HRA for the issuance of up to \$15,000,000 in charter school conduit revenue bonds (“Bonds”) to refinance the Prior Bonds.

## 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**

The City Council will be considering a companion resolution on this same date.

### **Financing Structure**

The 2025 Bonds will be issued in an amount not to exceed \$15,000,000 and will be sold as a Public Offering with Colliers Securities, LLC serving as underwriter, in minimum bond denominations consistent with PED's conduit bond policy which will depend on the credit rating. The underwriter has applied to Standard & Poor's (S&P) for a credit rating and expects to receive a rating of BB (the current rating on the Prior Bonds), requiring minimum bond denominations of \$25,000. The final maturity for the 2025 Bonds will be 7/1/2065, which is a 15-year extension from the Prior Bonds final maturity (7/1/2050). The annual debt service will be reduced by approximately \$90,000. They are planning a small taxable series of bonds to be issued along with the tax-exempt series and the total estimated cost of the Project is \$15,505,161 as shown below:

<b>Sources of Funds</b>	<b>Amount</b>
Series 2025A Bonds (Tax-Exempt)	13,860,000
Series 2025B Bonds (Taxable)	235,000
2015A DSRF Transfers	1,004,038
2015A Bond Fund Transfers	166,123
Excess DSRF Earnings	240,000
<b>Total Sources</b>	<b>\$15,505,161</b>

<b>Uses of Funds</b>	<b>Amount</b>
Refund Series 2015A Bonds	\$14,101,837
Fund DSRF	907,130
Underwriter Discount	282,738
Costs of Issuance/Rounding	213,456
<b>Total Uses</b>	<b>\$15,505,161</b>

**PED Credit Committee Review**

The PED Credit Committee reviewed the proposal for conduit bonds on August 5, 2025, and found it to be consistent with PED's conduit bond policy.

**Compliance**

The proceeds from the 2025 Bonds will not be used for construction, therefore vendor outreach and labor standards will not apply. The Borrower is required to comply with AA/EEO and will need to register an Affirmative Action Plan with the City.

**Green/Sustainable Development**

N/A

**Environmental Impact Disclosure**

N/A

**Historic Preservation**

N/A

**Public Purpose/Comprehensive Plan Conformance**

Twin Cities Academy provides educational opportunities to 540 students in grades 6 through 12 and employs over 82 persons. The proposed conduit bond refinancing will reduce debt service payments on behalf of the School.

**Statement of Chairwoman (for Public Hearing)**

"Being duly authorized by the Board of Commissioners to conduct this Public Hearing, the hearing is now open. This is a Public Hearing called for the purpose of approving the issuance of approximately \$15,000,000 in conduit revenue refunding bonds by the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (HRA) for the Twin Cities Academy Project. Notice of time, place, and purpose of this hearing was published in the Pioneer Press the official newspaper of the Authority on the 4th of August 2025. The Affidavit of Publication of the Notice of Public Hearing will be made a part of these proceedings. Is there

anyone who wishes to be heard on this matter? If not, the Chair will declare this Public Hearing adjourned.”

**Recommendation:**

The HRA Executive Director recommends approval of the resolution which authorizes the issuance of up to \$15,000,000 in conduit lease revenue refunding bonds for the Twin Cities Academy Charter School Project and the execution of related documents.

**Sponsored by: Chair Johnson**

**Staff:** Jenny Wolfe, 266-6680

**Attachment**

- **Map**