



The Minnesota Higher Education Facilities Authority (the “Authority” or “MHEFA”) convened a regular Board meeting at 2:00 pm Central Time, Wednesday, March 23, 2022.

The Board is conducting this meeting subject to the Open Meeting Law by telephone and interactive technology as allowed by Minnesota Statutes. Members participating in the meeting can hear each other and all discussion; members of the public can hear all discussion and votes; and all votes are conducted by a roll call. The board has made provision for the public to monitor the meeting electronically from a remote location. The board has provided notice of the meeting location, the fact that some members may participate by interactive technology, and of the public’s right to monitor the meeting electronically from a remote location. Authority Chair Benson determined that an in-person meeting was not practical or prudent because of the health pandemic as defined according to current guidance from the Minnesota Department of Health, the Centers for Disease Control and Prevention, and the U.S. Department of Homeland Security.

The Authority Board meeting was held in the Conference Room at the Authority office, 380 Jackson St, Suite 450, St. Paul, MN 55101. Executive Director Fick and Authority Chair Benson were physically present, although not required due to the pandemic environment. Mr. Fick and Mr. Benson met the state’s requirement for COVID-19 safety through vaccination. The location and time of the meeting was duly published and posted on the Authority website and the door of the Authority office.

The public was able to monitor the meeting by calling a toll-free number and able to connect using the video link.

Board members participated in the meeting using a video link. The meeting link was sent to Board members prior to the meeting. The use of a video link as an allowable way to hold the Board meeting was confirmed by the State of Minnesota’s Data Practices Office staff prior to the meeting, following Minnesota Statute 13D.015.

**Executive Summary – Minnesota Higher Education Facilities Authority**

Meeting on March 23, 2022

Board Actions Taken:

<b>Motions:</b>	<b>Result:</b>	<b>Vote:</b>
Approval of Meeting Minutes of February 16, 2022	Passed	Unanimous

<b>Resolutions</b>	<b>Result:</b>	<b>Vote:</b>
Approve the Resolution Relating to the Application of The University of St. Thomas for financing of Revenue Bonds, Series 2022A and Series 2022B (St. Thomas)	Passed	Unanimous
Adopt the Resolution Relating to Finance Terms and the Series Resolution for Revenue Note, Series 2022 (Mitchell Hamline School of Law)	Passed	Unanimous

The official meeting began with a roll call to determine who was attending the meeting. The following board members or their designees were participating and attending by video link (“V”) or telephone (“T”):

Board Members: Gary Benson – In-Person and V  
Mary Ives - V  
Bonnie Anderson Rons – V  
Michael Ranum - V  
David Rowland – V  
Nancy Sampair - T  
Mary Yang Thao – V  
Poawit Yang, Office of Higher Education, ex-officio - V  
Paul Cerkvenik, Minnesota Private College Council, ex officio w/o vote – V

Absent: Ray VinZant

Other Attendees: Peter Cooper, Bond Counsel (MHSL) – V  
Mark LeMay – member of the public – V  
Tressa Reis, CFO MHSL – V  
Mark Vangsgard, Vice President, CFO, University of St. Thomas - V  
Katelyn Shehu, Assoc. VP Finance & Controller, University of St. Thomas -V  
Laura Janke, Director, Municipal Finance, RBC Capital Markets – T  
Nick Taylor, North Slope Capital Markets - V  
Jack Kroll, North Slope Capital Markets - V

Also Present: Barry W. Fick Executive Director MHEFA – In-person and V  
Amanda Lee, Operations Manager, MHEFA – V

Gary Benson, Chair, called the meeting order at 2:06 pm CT. Executive Director Fick confirmed that a quorum was present.

**Agenda Item I – Minutes of the February 16, 2022, Board meeting.**

The first item on the agenda is the review and consideration of the minutes of the February 16, 2022, Authority Board meeting.

Chair Benson noted a date change on page 1, and Operations Manager Lee noted a date change on page 2.

A motion was made by Bonnie Anderson Rons to approve the amended February 16, 2022, minutes. The motion was seconded by Nancy Sampair. Chair Benson asked if there were any questions, discussion, or further changes to the minutes of the February 16, 2022, Board meeting. There were no further questions or proposed changes to the minutes from Board members.

Chair Benson called for a vote regarding the approval of the amended minutes. A roll call vote was conducted, and the Board members voted as follows:

Board Members:	Gary Benson	Yes
	Bonnie Anderson Rons	Yes
	Mary Ives	Yes
	David Rowland	Yes

Nancy Sampair	Yes
Mary Yang Thao	Yes
Michael Ranum	Yes
Poawit Yang	Yes

There were no votes against the motion and the Minutes of the February 16, 2022, MHEFA Board meetings were approved.

### **Agenda Item II – Mitchell Hamline School of Law**

At the February 2022 MHEFA Board meeting, Mitchell Hamline School of Law (MHSL) presented an application for financing through the Authority. The proposed financing is a combination of an early refinancing of an outstanding Authority Note that will be subject to mandatory tender and repricing in October 2022, some new money for capital projects on the campus of MHSL and the termination of an interest rate swap to realize interest savings. The project is being funded by two Private Placement Notes, one tax-exempt (Series 2022A Note) to refinance outstanding debt and fund new projects and one taxable (Series 2022B Note) to fund the cost of terminating the interest rate swap. At the March 2022 Board meeting, the final Authority actions related to the financing request from MHSL were considered.

Chair Benson asked Mr. Nick Taylor of North Slope Capital Advisors to present the Financing Plan for MHSL. Mr. Taylor described the structure of the 2 Private Placement Revenue Notes and briefly outlined the process that MHSL and US Bank followed to develop the structure. Mr. Taylor noted that MHSL was able to lock in a tax-exempt interest rate and minimize risk for the School. He also noted that the School chose to not lock in the rate on the taxable portion of the financing. This was done to allow the School to benefit from interest rate changes which reduced the termination cost of the interest rate swap.

Mr. Taylor reviewed a number of specific terms of the financing plan and concluded that North Slope Capital is supportive of the proposed structure and was looking forward to a successful closing of the Notes. The Board Chair asked if there were any questions for Mr. Taylor. The Board asked about the language used by North Slope in being “supportive” of the proposed structure. The Board asked if North Slope agreed with the financing plan and why the language of support was less definitive than language that has been used in prior Authority bond issues.

Mr. Taylor responded and clarified that North Slope is confident in the proposed financing as being appropriate for MHSL. He noted that the structure was negotiated primarily between MHSL and US Bank, so elected to use the word “supportive” rather than imply that North Slope had assisted in the original negotiations regarding the financing plan. The Board indicated that they understood the language used, but suggested that for future financing reviews, a more definitive wording would be helpful to the Board’s analysis.

This concluded the Preliminary Financing Plan review by North Slope. The Board Chair asked Mr. Peter Cooper, Bond Counsel, to review the Resolution Relating to Financing Terms for MHSL. Mr. Cooper briefly reviewed the terms of the Resolution noting that the Board has heard the details of the financing plan presented by North Slope. Mr. Cooper noted that the terms of the Financing Plan Resolution included references to prior Authority actions related to MHSL’s financing request. The Resolution states that no Official Statement will be prepared.

Mr. Cooper asked if Board members had any questions. There were no questions from the Board and Mr. Benson, as Board Chair asked for a motion to adopt the Resolution Relating to Financing Terms for Mitchell Hamline. A motion to approve the Resolution was made by Michael Ranum. The motion was seconded by Mary Ives.

Chair Benson called for a Roll Call vote regarding the approval and acceptance of the Resolution related to Financing Terms for Mitchell Hamline School of Law. A Roll Call vote was conducted, and the Board members voted as follows:

Board Members:	Gary Benson	Yes
	David Rowland	Yes
	Bonnie Anderson Rons	Yes
	Mary Ives	Yes
	Mary Yang Thao	Yes
	Michael Ranum	Yes
	Nancy Sampair	Yes
	Poawit Yang	Yes

Chair Benson next called for Mr. Cooper to review the Series Resolution for the Board. Mr. Cooper noted that the Series Resolution represents the final approval by the Authority and authorizes completing and closing the financing based on the terms approved by the Board in the previous

Resolution. Mr. Cooper noted that the Series Resolution recites actions previously taken by the Authority, ratifies prior Authority actions and provides details on the administration of the Series 2022A and Series 2022B Note

He pointed out that the Series Resolution recites the terms of the Finance Plan and the basic terms of the documents related to the Series 2022A and Series 2022B Revenue Note.

The Series Resolution includes findings that document the Authority actions related to the financing, describes actions taken previously related to the financing and provides for the approval of actions taken to date. It also authorizes signing all documents related to the Series 2022A and Series 2022B Revenue Note and authorizes delivery of the Note. At the conclusion of Mr. Cooper's presentation, Chair Benson asked if there were any questions related to the Series Resolution.

Mr. Benson, as Board Chair asked for a motion to adopt the Resolution Relating to Financing Terms for Mitchell Hamline. A motion to approve the Resolution was made by Bonnie Anderson Rons. The motion was seconded by Mary Ives.

Chair Benson called for a Roll Call vote regarding the approval and acceptance of the Series Resolution for Mitchell Hamline School of Law. A Roll Call vote was conducted, and the Board members voted as follows:

Board Members:	Gary Benson	Yes
	David Rowland	Yes
	Bonnie Anderson Rons	Yes
	Mary Ives	Yes
	Mary Yang Thao	Yes
	Michael Ranum	Yes
	Nancy Sampair	Yes
	Poawit Yang	Yes

There were no votes against the motion and the Series Resolution for the Mitchell Hamline School of Law was approved.

At the conclusion of the MHSL discussion and after approval of the Series Resolution, MHSL staff thanked the Board for their approval and excused themselves from the meeting.

### **Agenda Item III – University of St. Thomas**

The University of St. Thomas has applied to the Authority for assistance with the financing of a number of campus and off-campus projects. Mr. Mark Vangsgard, VP for Business Affairs and CFO of St. Thomas University, as well as Ms. Katelyn Shehu, Assoc. VP of Finance and Controller of St. Thomas University, attended the Board meeting to provide information about the University and the application.

Chair Benson began the University of St. Thomas discussion by opening the Public Hearing regarding the Application of University of St. Thomas. The Chair asked Mr. Vangsgard to discuss the financing request and provide information about the University for the Board.

Mr. Vangsgard walked the Authority board through a presentation that included a discussion and description of the components of the proposed financing. The primary components include an addition to the current Science Building. The addition will focus on STEAM, Science, Technology, Engineering, Arts, and Math. Additional projects include renovation of Brady and Dowling Residence Halls, renovation of Koch Commons and the Summit Classroom building. The project will also include funds to acquire a residential property located adjacent to campus and assist in acquiring land off campus for future athletic facilities to facilitate the University's transition from DIII NCAA Athletics to DI NCAA Athletics.

Chair Benson asked if there were questions for Mr. Vangsgard. Nancy Sampair asked if all approvals had been obtained for the Highland Bridge area land purchase. Mark Vangsgard and Barry Fick explained that the land is under contract and the university is working with Ryan Companies for all those other approvals.

Gary Benson asked about the little league fields in that area. Mark Vangsgard explained that two of the fields are north of Montreal and will remain, but the one south of Montreal will be redeveloped. Bonnie Anderson Rons asked about renting out the hockey arena for other events. Mark Vangsgard confirmed that the space will be able to be rented out for conferences, seminars, community group meetings and other outside events.

There were no further questions and Chair Benson asked Nick Taylor of North Slope Capital Advisors to present their Application Review. Nick Taylor presented the Application Review, noting that St. Thomas may try for ESG status for this bond series. There were no questions from the Board for Mr. Taylor.

Chair Benson asked Peter Cooper to present the Application Memorandum. Mr. Cooper noted that there are a number of incomplete or missing items from the Application, which is not uncommon. He noted these will be resolved during the discussion of the financing and document preparation. He reviewed the basic IRS requirements for higher education bonds and noted that due diligence will be undertaken to assure that the bonds qualify for tax exempt financing.

Mr. Cooper concluded his presentation and asked if there were questions from the Board. Bonnie asked for clarification surrounding the refunding piece of the bond issue. Nick Taylor, Mark Vangsgard and Barry Fick contributed to the response that refinancing certain previous bonds would assist the University by eliminating the covenants of the prior bonds. By the next board meeting, it should be determined if the refunding will be included in this issue.

David Rowland noted the need for better language for the future in the Application Review regarding the Municipal Advisor's support of financial feasibility.

Chair Benson asked Mr. Cooper to discuss the Resolution Relating to the Application. Peter Cooper presented the Resolution Relating to the Application, noting the relevant items for the Board to be aware of. He noted that the Financing Plan will be presented at a subsequent Authority meeting. He asked if anyone had questions regarding the Resolution.

Nancy Sampair asked about the timeline for land use approvals and how that might affect bonding. Mark Vangsgard and Barry Fick responded to Ms. Sampair's question to her satisfaction noting that the land will likely not decrease in value, and if the university needed to dispose of the land, it could be sold to purchase another property to continue the project.

Mr. Benson, as Board Chair, asked for a motion to adopt the Resolution Relating to the Application by University of St. Thomas. A motion to approve the Resolution was made by David Rowland. The motion was seconded by Nancy Sampair.



Chair Benson called for a Roll Call vote regarding the approval and acceptance of the Resolution Relating to the Application of University of St. Thomas. A Roll Call vote was conducted, and the Board members voted as follows:

Board Members:	Gary Benson	Yes
	David Rowland	Yes
	Bonnie Anderson Rons	Yes
	Mary Ives	Yes
	Mary Yang Thao	Yes
	Michael Ranum	Yes
	Nancy Sampair	Yes
	Poawit Yang	Yes

There were no votes against the motion and the Resolution related to Application for University of St. Thomas was approved.

At the conclusion of the St. Thomas discussion and after approval of the Application Resolution, St. Thomas staff thanked the Board for their approval and excused themselves from the meeting. Bond Counsel Peter Cooper, North Slope Capital Advisor staff, and Mark LeMay also left the meeting at 2:55 pm. Board member Poawit Yang also had to leave the Authority meeting for a work commitment at 2:56 pm.

#### **Agenda Item IV – Old Business**

Chair Benson asked Executive Director Fick to provide an update on expansion legislation. Mr. Fick noted that there is progress in moving the legislation forward and that hearings before multiple committees are expected in the next few weeks.

Ex-Officio Board Member Paul Cerkvenik excused himself from the meeting at 3:00 pm to participate in a Minnesota legislative hearing for Higher Education.

Chair Benson asked Authority Executive Director Barry Fick and Operations Manager Amanda Lee to update the Board on the new office space. Authority Staff explained that as approved by the

Board, a lease has been signed, and work is progressing with the architects and construction company for the build out.

There was no other Old Business for consideration.

### **Agenda Item V – New Business**

Chair Benson asked if there were any New Business items from Board members for discussion. There were no other New Business items from Board members for discussion.

### **Agenda Item VI – Other Business**

Chair Benson called upon Executive Director Fick to discuss Other Business. Mr. Fick presented his Executive Director's report. It included the following items regarding staff and Authority activity and events and personnel changes at the schools.

#### **Borrower Assistance and Financing Application Update**

- We have completed the MCAD private bank placement
- We are working with Mitchell Hamline on completing their project. Final consideration of their application will be held at our March meeting.
- We have received an application from the University of St. Thomas, for which the public hearing was held at the March meeting
- We are working with multiple schools on Moody's rating updates, including:
  - University of St. Thomas
  - St. Catherine University
  - Gustavus Adolphus College
- We continue to support schools in their compliance with Continuing Disclosure obligations

The State of Minnesota has relaxed the mask mandate but maintains its "work from home" requirement until an indeterminate time in 2022. We expect that the Authority will adopt a hybrid-work policy to be used at our new location, consistent with any future State policy.

### Borrower Staffing Update

- St. John's University and College of St. Benedict have appointed a new joint President. See the material included in your Board packet for information on him
- Hamline University has appointed Michelle Hegarty, Sr. Assoc. VP for Finance, as interim CFO
- Sue Palmer, CFO at the College of St. Benedict will retire at the end of the academic year. The Board has named the longtime #2 Anne Oberman, as the new CFO for the College.
- MCAD's CFO resigned in late March. Mary Yang Thao has been appointed the interim CFO

### Various Items of Interest

We continue planning for the MHEFA Finance Conference, postponed from April 20 to a date later in the summer. The location is yet to be determined. We have confirmed that representatives from Moody's will present at the conference. We have an Economic Update speaker from Piper Sandler. Other speakers are pending, including an arbitrage update presentation.

There were no other items from the Board A motion to adjourn was made by Mary Ives with a second provided by Bonnie Anderson Rons. The Board acted by voice vote to adjourn the meeting at 3:23 pm, Central Time.

Respectfully submitted,

*Bary W. Fick*

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Assistant Secretary

# 4- Minutes for 23 Mar 2022 FINAL

Final Audit Report

2022-04-22

Created:	2022-04-21
By:	Amanda Lee (agl@mnhefa.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAATBPDpIn7TkYkErAg3sSnkIYYTNikjPzZ

## "4- Minutes for 23 Mar 2022 FINAL" History

-  Document created by Amanda Lee (agl@mnhefa.org)  
2022-04-21 - 5:50:48 PM GMT
-  Document emailed to Barry Fick (bwf@mnhefa.org) for signature  
2022-04-21 - 5:51:09 PM GMT
-  Email viewed by Barry Fick (bwf@mnhefa.org)  
2022-04-22 - 1:39:45 PM GMT- IP address: 71.82.135.37
-  Document e-signed by Barry Fick (bwf@mnhefa.org)  
Signature Date: 2022-04-22 - 1:39:58 PM GMT - Time Source: server- IP address: 71.82.135.37
-  Agreement completed.  
2022-04-22 - 1:39:58 PM GMT