



The Minnesota Higher Education Facilities Authority (the “Authority” or “MHEFA”) convened a regular Board meeting at 2:00 pm Central Time, Wednesday, April 20, 2022.

The Board is conducting this meeting subject to the Open Meeting Law by in-person, 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, Authority Chair Benson, and Board member Nancy Sampair were physically present, although not required due to the pandemic environment. Mr. Fick, Mr. Benson, and Ms. Sampair 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 April 20, 2022

Board Actions Taken:

Motions:	Result:	Vote:
Approval of Meeting Minutes of March 23, 2022	Passed	Unanimous

Resolutions	Result:	Vote:
Approve the Resolution Relating to the Application and Financing Terms of The University of St. Thomas for financing of Revenue Bonds, Series 2022A and Series 2022B (St. Thomas)	Passed	Unanimous
Adopt the Series Resolution for The University of St. Thomas for financing of Revenue Bonds, Series 2022A and Series 2022B (St. Thomas)	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 – arrived 2 :12 PM
 - Bonnie Anderson Rons – V
 - Michael Ranum - V
 - David Rowland – V
 - Nancy Sampair – In Person and V
 - 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
arrived 2:42 PM

Absent: Ray VinZant

Other Attendees: Peter Cooper, Bond Counsel (MHSL) – V
Mark LeMay – member of the public – V

Mark Vangsgard, Vice President, CFO, University of St. Thomas - V
Katelyn Shehu, Assoc. VP Fin & Controller, University of St. Thomas -V
Laura Janke, Director, Municipal Finance, RBC Capital Markets – T
Nick Taylor, 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 2:03 pm CT. Executive Director Fick confirmed that a quorum was present.

Agenda Item I – Minutes of the March 23, 2022, Board meeting.

The first item on the agenda is the review and consideration of the minutes of the March 23, 2022, Authority Board meeting.

Board members noted some spelling and textual changes to the March 23, 2022 minutes. Those changes were noted and made on the official version of the March 23, 2022 minutes.

A motion was made by Michael Ranum to approve the amended March 23, 2022, minutes. The motion was seconded by Bonnie Anderson Rons. Chair Benson asked if there were any questions, discussion, or further changes to the minutes of the March 23, 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
	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 March 23, 2022, MHEFA Board meetings were approved.

Agenda Item II – Augsburg University

The Augsburg University item is informational for the Authority Board only. The outstanding Series Eight-E Note issued by the Authority for Augsburg University has a Mandatory Tender feature. Under this feature, the Note is Tendered for payment or extension by the Note holder. The sole Note Holder is BMO Harris Bank. The Mandatory Tender date is May 1, 2022. Augsburg has negotiated with BMO Harris Bank an agreement to extend the initial Mandatory Tender date by two years to May 1, 2024. Under the agreement, there are no changes to the other terms of the Series Eight-E Note, nor is the interest rate changed.

This change is reflected on the documentation between Augsburg University and BMO Harris Bank. There is no action required by the Authority to approve this modification to the Note. The only Authority action is to acknowledge the change in writing, which was done at the January 2022 Authority board meeting through resolution. The modification is schedule to be effective April 21, 2022.

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. At the March Authority Board meeting, 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.

Subsequent to the March meeting, the University submitted an updated and revised Application to the Authority. The updated and revised application increased the amount of funding requested for Land Acquisition to \$20.1 million and removed the request to refund the outstanding Private Placement Notes that were originally included in the University's Application for Financing. Due to

the magnitude of the requested change, a supplemental Public Hearing was held. The Public Hearing was duly published and Notice of the Public Hearing posted on the Authority's website and at the Authority office located at 380 Jackson St, Suite 450, St. Paul, MN 55101.

The Public Hearing was held on Wednesday, April 20, 2022 at 1:00 pm CDT. Executive Director Fick opened the Public Hearing regarding the updated and revised Application of University of St. Thomas. Mr. Fick noted that there were no members of the public in attendance at the Public Hearing being held at the Authority offices. Mr. Fick and Mr. Gary Benson, Authority Board Chair, were present for the Public Hearing in the Authority office. Mr. Fick asked if there was anyone on the telephone or computer link. Participants by phone or computer were Amanda Lee, MHEFA Operations Manager, Ms. Laura Janke, Director, RBCCM, and Ms. Katelyn Shuhue, AVP for Finance and Controller, University of St. Thomas

Mr. Fick described the updated project components of the financing. The findings and descriptions from the Public Hearing held on March 23, 2022 were reviewed and the changes from the updated Application were discussed. The updated Application removed the request to refinance outstanding Private Placement Notes. The University has negotiated with the Private Placement Noteholder to remove the financial covenants from the outstanding Private Placement Notes. The result of the change is that the University is not subject to any financial covenants on its outstanding debt. This removes the need to refinance the outstanding Private Placement Notes.

Under the Application financing request, the Authority would issue its tax-exempt or taxable revenue bonds or other obligations in one or more series (the "Obligations") to finance a project (the "Project") consisting of (a) the acquisition, design, demolition, construction, renovation, improvement, furnishing and equipping of various facilities, including (i) construction of a 5-level academic building for science, technology, engineering, arts and mathematics of approximately 129,600 square feet on the former site of Loras Hall which was demolished in 2021 for this purpose, to be known as the Schoenecker Center (the "Schoenecker Center"), to be used for classrooms, offices, laboratories, and related purposes, (ii) renovation of Brady Residence Hall and Dowling Residence Hall and Koch Commons connecting them, (iii) renovation of the Summit Classroom Building to provide start-up space for the University's new nursing program, and (iv) acquisition of a single-family residence adjacent to the University's Saint Paul campus ((the "Residential Property"); the foregoing activities described in clauses (i) through (iv), inclusive, collectively, the "Main Campus Projects"); (b) proposed acquisition of an approximately 22-acre tract of land and preliminary design

work for a University hockey arena, softball and baseball fields, and related athletic facilities, in the Highland Bridge redevelopment area in Saint Paul (the “Athletic Facilities Project”);

The University’s Board has approved the maximum amount of bonds to be issued at \$165 million. The University has requested to increase the amount of funding for land acquisition to an amount up to approximately \$30 million. If the land acquisition does not go forward as planned, the University would reallocate obligations initially intended for financing of the Athletics Project to the design, acquisition, demolition, construction, renovation improvement furnishing and equipping of various facilities on the University’s main campus including other athletic facilities or a new academic building to serves as a permanent location for the University’s nursing program.

Mr. Fick asked if there were any questions from the persons attending the Public Hearing or anyone on the phone or video link. There were no questions. Mr. Fick stated that he would keep the Public Hearing open for a few additional minutes to allow additional people to join or for participants to ask questions. During the time the Public Hearing was open, Mr. Fick asked on a number of occasions if there were any comments or questions from the public. There were no questions or comments. At the end of 10 minutes, with no additional persons joining the appearing, Mr. Fick closed the Public Hearing. This represents the description of the Public Hearing and is included in these April 20, 2022 Board Minutes as additional information related to the financing request by the University of St. Thomas.

At the March 23, 2022 Public Hearing for the University of St. Thomas, Mr. Mark Vangsgard, Vice President for Business Affairs and Chief Financial Officer for University of St. Thomas, presented to the Authority board 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. The total estimated cost to be financed with Authority issued bonds is not to exceed \$165 million. Total Project Costs are approximately \$200 million. The University plans to fund approximately \$45 million of project costs with gifts and contributions raised for the projects.

All the facilities and improvements to be financed or refinanced by the Project are or will be owned and operated by the University and, except for the Residential Property and the Athletic Facilities Project, are or will be located on the University's main campus, the principal street address of which is 2115 Summit Avenue, Saint Paul, Minnesota. As shown on the attached campus map, the University's Saint Paul campus is bounded on the north by Selby Avenue and Summit Avenue, on the east by Cleveland Avenue South and Cretin Avenue South, on the south by Grand Avenue and Goodrich Avenue, and on the west by Cretin Avenue and Mississippi River Boulevard. The Residential Property is located at 2037 Summit Avenue, Saint Paul, on a city block directly across Cleveland Avenue South from the University's Saint Paul campus on which other University buildings are located and next door to the University president's house. The Athletic Facilities Project would be located near the intersection of Cleveland and Montreal Avenues in Saint Paul, within the Highland Bridge redevelopment area, approximately 2.5 miles from the University's Saint Paul campus.

At the conclusion of the review of the findings and presentation at the Public Hearings, Board Chair Benson asked Nick Taylor of North Slope Capital Advisor, the Municipal Advisor for the St. Thomas Financing, to present the Preliminary Financing Plan. Mr. Taylor reviewed the project components, the approximate size of the Series 2022A and Series 2022B Bonds and noted that both series of bonds will be fixed rate, amortizing over a 30-year period, with the final principal payment in 2052. The bonds will not be subject to financial covenants and the University plans to obtain a credit rating on the bonds from Moody's Investors Service. The bonds include approximately 24 months of capitalized interest and are sized to fund the project costs, capitalized interest and issue costs. The Bonds are not subject to a debt service reserve. He noted that in the opinion of North Slope Capital Advisors, a bond issue with adequate security can be structured and North Slope Capital recommends the Authority proceed to issue the bonds and lend the proceeds to University of St. Thomas.

At the conclusion of his presentation, Mr. Taylor asked if there were questions from Board members. Board Members Mary Ives and Bonnie Anderson Rons asked about the Green Bond designation for Series 2022A. Executive Director Fick explained that the University is seeking ESG designation for Series 2022A and explained the significance. This will be the first Green Bond Series for the Authority.

Chair Benson asked Peter Cooper to present the Resolution Relating to Application and Financing Plan. Mr. Cooper reviewed the Resolution and noted that the Resolution recites prior actions taken

by the Authority Board, staff and consultants regarding the University of St. Thomas financing request. He noted that the Resolution presents findings of the Authority that all the requirements for issuing tax-exempt debt have been met by the University, that the project and financing appears feasible and that the project has been reviewed by the Authority's municipal advisor, who recommend issuing the bonds using RBC Capital Markets as the underwriter. The Resolution further authorizes the preparation and issue of an Official Statement, a Purchase Agreement and related documents that describe the terms and conditions of the financing and the repayment by the University of the bonds. 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.

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

Chair Benson called for a Roll Call vote regarding the approval and acceptance of the Resolution Relating to the Application and Financing Terms 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 And Financing Terms for University of St. Thomas was approved.

Chair Benson next asked Mr. Cooper to review the Series Resolution. Mr. Cooper reviewed the information in the Series Resolution, noting for the benefit of Board members specific items included in the Series Resolution. He noted that the Series resolution affirms all prior actions taken

by the Authority related to the financing application, affirms appointment of parties to the financing, including the underwriter, outlines the use of proceeds and authorizes Authority officers to sign documents related to the sale and closing of the financing. The Series Resolution also describes the documents related to the financing and authorizes the preparation and signing of the final versions of the documents, including the Official Statement.

At the conclusion of his review, Mr. Cooper asked if there were any questions about the Series Resolution from Board members. There were no questions from Board members.

Mr. Benson, as Board Chair, asked for a motion to adopt the Series Resolution. A motion to approve the Resolution was made by Bonnie Anderson Rons. The motion was seconded by Nancy Sampair.

Chair Benson called for a Roll Call vote regarding the approval and acceptance of the Series Resolution. 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 was approved.

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 have been held. In addition, Mr. Fick has met with a number of legislators to explain the proposed legislation and answer questions.

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, agreement on the new space buildout has been reached, permits have been submitted and the space is expected to be available for occupancy in July 2022.

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.

Chair Benson asked Paul Cerkenik, President of the Minnesota Private College Council, to provide an update on the schools. Mr. Cerkenik expressed hope that the grant funding included in the House bill this session would be passed but noted that there are significant differences in spending areas between the House and the Senate with much less focus on education in the Senate bill. This means there is no certainty yet of what will be included in the final version.

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 Mitchell Hamline School of Law private bank placement
- We are working with the University of St. Thomas, as was considered earlier today
- We have engaged in preliminary discussions with a number of schools about possible financing of projects in the next one to two years and begun preliminary planning.
- We are working with multiple schools on Moody's rating updates
- 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

No updates to report, vacancies exist for the CFO position at St. Scholastica, Bethel, Hamline, and MCAD.

Various Items of Interest

Executive Director Fick will be attending the NAHEFFA Conference in late April. He is the incoming President of NAHEFFA for a two-year term. He is also moderating a session at the Conference. In June, he will be attending the GFOA National Convention. He is a panel member on Bond Structuring at that Conference.

There were no other items from the Board. A motion to adjourn was made by Nancy Sampair with a second provided by Mary Ives. The Board acted by voice vote to adjourn the meeting at 3:02 pm, Central Time.

Respectfully submitted,

Bary W Fick

Assistant Secretary

5- Minutes for 20 Apr 2022 FINAL

Final Audit Report

2022-05-19

Created:	2022-05-18
By:	Amanda Lee (agl@mnhefa.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAA1QhVyy1zoTjn5E8n46vs6pWHs2TTZn1V

"5- Minutes for 20 Apr 2022 FINAL" History

-  Document created by Amanda Lee (agl@mnhefa.org)
2022-05-18 - 8:48:38 PM GMT
-  Document emailed to Barry Fick (bwf@mnhefa.org) for signature
2022-05-18 - 8:48:51 PM GMT
-  Email viewed by Barry Fick (bwf@mnhefa.org)
2022-05-19 - 12:18:39 PM GMT - IP address: 71.82.135.37
-  Document e-signed by Barry Fick (bwf@mnhefa.org)
Signature Date: 2022-05-19 - 12:18:53 PM GMT - Time Source: server- IP address: 71.82.135.37
-  Agreement completed.
2022-05-19 - 12:18:53 PM GMT