

# City of Minneapolis

## Request for Committee Action

**To:** Community Development & Regulatory Services  
**Date:** 7/26/2016  
**Referral:** N/A  
**From:** Community Planning & Economic Development  
**Lead Staff:** Becky Shaw  
**Presented by:** Becky Shaw  
**File Type:** Resolution  
**Subcategory:** Bond

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**Subject:**

Modification of interest rate for Woman's Club of Minneapolis located at 410 Oak Grove Street.

**Description:**

1. Passage of City of Minneapolis Resolution authorizing first amendments to revenue bond documents for the Woman's Club of Minneapolis project.
2. Referring to the Minneapolis Board of Commissioners for passage of resolution authorizing amendment of the Series 2007 revenue notes and execution of related documents.

**Previous Actions:**

April 27, 2007 City Council authorized the issuance of up to \$2,915,000 in 501(c)(3) Tax-exempt MCDA Bank Qualified Bank Direct Revenue Bonds for the refunding of outstanding City of Minneapolis Series 2002 Bonds.

March 25, 2002 City Council authorized the issuance of up to \$5,500,000 in 501(c)(3) Tax-exempt Revenue Bonds for the Woman's Club of Minneapolis.

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**Ward/Address:**

Ward 7  
410 Oak Grove Street

**Background/Analysis:**

Woman's Club of Minneapolis is a Minnesota 501(c)(3) non-profit organization. The Club started in the spring of 1907 with 25 influential local women. Today it is housed in the historic clubhouse built in 1928 at 410 Oak Grove Street. The Woman's Club has over 700 members and holds true to its original mission of charitable and educational operations, civil and social services, and friendly association.

In 2002, the City of Minneapolis issued \$5,500,000 in 501(c)(3) Tax-exempt Revenue Bonds for a significant capital improvement project. Improvements to the facility included an overhaul to the entire mechanical system, new elevator, expansion of kitchen and restrooms, and bringing the building up to current code.

In 2007, the City of Minneapolis and MCDA authorized the issuance of \$2,915,000 of Bank Qualified Bank Direct Revenue Bonds for the refunding of the outstanding 2002 Bonds. The current outstanding balance on those bonds is approximately \$1 million with an interest rate of 5%.

Woman's Club is now requesting a modification to the interest rate provision on the 2007 Note. Because these bonds are privately held, the interest rate can be reduced to 2.75% for the remaining term of the bonds.

**Financial Review:**

**No financial impact.**

Enter SUPB goals explanation.

**Attachments:**

1. City of Minneapolis Resolution
2. MCDA Resolution