City Council
Agenda Item 13.B
Meeting of May 18, 2026

Title:	Breck School Conduit Revenue Bonds
Report from:	Alisha Gray, EDFP, Economic Development and Housing Manager
Submitted Through:	Julie Wischnack, FAICP, Community Development Director Darin Nelson, Finance Director Erik Nilsson, City Attorney Mike Funk, City Manager
Presenter:	Darin Nelson, Julie Wischnack and/or Gina Fiorini from Kutak Rock

---

Action Requested:	Public Hearing and Motion
Form of Action:	Resolution
Votes needed:	4 votes

Summary Statement
This action grants preliminary approval for the issuance of conduit revenue bonds to finance costs associated with Breck School. A public hearing is required.

Recommended Action
Motion to adopt the resolution authorizing the issuance of conduit revenue bonds.

Financial Consideration
Yes

The borrower will pay the out-of-pocket expenses of the city with respect to this transaction as well as the city’s negotiated administrative fee for this transaction equal to 0.25% on the new money portion of the bonds.

Background
In 2012, the City of Minnetonka issued a $6,500,000 revenue note to Breck School to finance the demolition of the upper school on the campus at 123 Ottawa Ave N, Golden Valley, MN and to assist with the construction and equipping of a new upper school on the same site. This included the rehabilitation and repurposing of the existing facilities on the campus.

Breck is now requesting that the city issue $45,000,000 in taxable conduit revenue bonds to refund the outstanding 2012 revenue note and to refinance a line of credit used to purchase three properties adjacent to the school campus. Breck intends to construct various infrastructure projects, including a raised baseball field, a multi-purpose area for soccer and lacrosse, a softball field, wetland expansion, parking improvements, stormwater retention areas and improvements to the student drop-off area. The bonds will also finance interest, soft costs, and the cost of issuance. Breck has submitted an administrative fee to the city for this request and will pay any out-of-pocket administrative expenses incurred.

The city has approved similar arrangements in the past, including the Hammer Residence facilities in Wayzata, Eagle Ridge Academy, and Children's Health Care Systems (multiple locations). Approving these arrangements imposes no financial obligation on the city now or in the future and because the city is not issuing other bonds this year. It is important to note that the revenue bond does not affect the city's bank-qualified bonding capacity.

A public hearing will be held on May 18, 2026, and the council will be asked to consider approving the resolution approving the issuance of the bonds and the execution of the documents.

Gina Fiorini, the city's EDA attorney, will be available on May 18, 2026, to answer any questions.

ATTACHMENTS:
Memo
Resolution