

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

REPORT TO THE COMMISSIONERS
2014

DATE: February 12,

REGARDING: AUTHORIZATION TO ACCEPT \$840,000 FROM THE MINNESOTA HOUSING FINANCE AGENCY AND \$200,000 FROM THE METROPOLITAN COUNCIL AND AMEND THE BUDGET OF THE HRA DISPOSITION WORK PLAN.

Requested Board Action

The specific actions being requested of the HRA Board are as follows:

- 1) Authorization to accept \$840,000 from the Minnesota Housing Finance Agency Impact Fund and \$200,000 from the Metropolitan Council Local Housing Incentives Account program.
- 2) Amendment to increase the HRA Disposition Work Plan and Budget by \$1,040,000.

Background

In the spring of 2013, Planning and Economic Development (PED) staff analyzed all property in the HRA inventory in an effort to make informed recommendations regarding the retention and disposition of properties, and create a disposition strategy and budget to advance redevelopment plans for the sites analyzed. The resulting strategy was designed to address 240 of the 535 parcels in the HRA inventory by grouping them into four different categories: Parcels with Obligations, Cluster Area Parcels, Splinter Parcels, and Buildable Lots for Sale. The Disposition Work Plan and Budget (DWPB) was presented to, and approved by, the HRA Board of Commissioners on July 24, 2013 by Resolution 13-1097. As a component of the Resolution, the Neighborhood Stabilization Program and Invest Saint Paul were rebranded as the Inspiring Communities program, which prioritizes subsidy to address two categories of the DWPB: Cluster Area Parcels and Parcels with Obligations.

To fully implement the DWPB, it was projected that \$12 million would need to be identified from various internal and external sources. To date, staff has identified, and the HRA Board has approved, \$5,060,000. Staff has secured, and is seeking HRA Board approval to accept, an \$840,000 grant award from the Minnesota Housing Finance Agency and \$200,000 from the Metropolitan Council, for a net increase of \$1,040,000 in the DWPB.

Budget Action

The current board action is to accept a grant award of \$840,000 from the Minnesota Housing Finance Agency and \$200,000 from the Metropolitan Council, and approve a budget amendment to increase the DWPB by \$1,040,000. (See **Attachment A.**)

Future Action

Consistent with Resolution 13-1097, all expenditures of the DWPB will be specifically authorized through future HRA Board Action.

Financing Structure

Not applicable

PED Credit Committee Review

Not applicable.

Compliance

Development under the Inspiring Communities program will comply with all applicable requirements, which may include the following:

1. Affirmative Action/Equal Employment Opportunity
2. Vendor Outreach
3. Section 3
4. Limited English Proficiency
5. NSP Affordability Covenants
6. Fair Housing Opportunities
7. Two Bid Policy

Green/Sustainable Development

All Inspiring Communities projects will be in compliance with the approved Design Criteria, which meets both the Saint Paul Sustainable Development Policy and the Saint Paul/HRA

Sustainability Initiative. All projects will meet the Home Performance for ENERGY STAR or ENERGY STAR for New Homes standards, and be certified by Enterprise Green Communities.

Environmental Impact Disclosure

The Tier 1 environmental review determined that all activities were either exempt or categorically excluded.

Historic Preservation

All projects located in the Dayton's Bluff Historic District will comply with the appropriate historic district guidelines and regulations.

Public Purpose/Comprehensive Plan Conformance

The Public Purpose and Comprehensive Plan Conformance for the DWPB was detailed in Resolution 13-1097 and are attached for reference as **Attachment C**.

Recommendation: The Executive Director recommends approval of the authorization to accept funding from the Minnesota Housing Finance Agency and the Metropolitan Council, and a DWPB budget amendment of an increase of \$1,040,000.

Sponsored by: Commissioner Lantry

Staff: Roxanne Young, 651-266-6581

Attachments

- **Attachment A – Budget Amendment**
- **Attachment B – Resolution**
- **Attachment C – Comprehensive Plan Conformance**