

**MINUTES OF THE
HOUSING AND REDEVELOPMENT AUTHORITY
OF THE CITY OF SAINT PAUL, MINNESOTA
Wednesday, December 11, 2013**

Britney Stanley, Recording Secretary
(651) 266-6604

ROLL CALL

Present: Commissioner Bostrom, Brendmoen, Lantry, Stark, Thune, and Tolbert

SWEARING IN OF DAI THAO

CONSENT

1. Approval of the November 13, 2013 HRA meeting minutes.

Commissioner Lantry moved approval.

VOTE: Yeas – 7 Nays – 0

2. Resolution Authorizing the 2013 Budget Amendment for the Citywide Streetcar Feasibility Study.

Commissioner Lantry moved approval. Approved as set forth in RES 13-1998.

VOTE: Yeas – 7 Nays – 0

3. Resolution Consenting to the Issuance of a Tax-Exempt Revenue Note by the Port Authority of the City of Saint Paul for the Achieve Language Academy Project.

Commissioner Lantry moved approval. Approved as set forth in RES 13-1982.

VOTE: Yeas – 7 Nays – 0

4. Authorization and Approval for Grant of Easement to H.F.S. Properties for Robert Street Parking Ramp located at 95 E. 7th St., Saint Paul, MN, District 17, Ward 2.

Commissioner Lantry moved approval. Approved as set forth in RES 13-1973.

VOTE: Yeas – 7 Nays – 0

5. Authorizing the Acceptance of a \$250 Gift Donation for the Ready for Rail Forgivable Loan Program. Citywide.

Commissioner Lantry moved approval. Approved as set forth in RES 13-1971.

VOTE: Yeas – 7 Nays – 0

6. Resolution Authorizing and Approving an Interfund Loan under the TIF Act for the Riverfront Tax Increment Financing District.

Commissioner Lantry moved approval. Approved as set forth in RES 13-2008

VOTE: Yeas – 7 Nays – 0

PUBLIC HEARING

7. Approval of the Sale and Conveyance of Parcel 326 Maria Avenue under the ISP/NSP Program, Dayton's Bluff, District 4, Ward 7.

Chair Thune announced the public hearing. There being no testimony, Commissioner Lantry moved approval. Approved as set forth in RES PH 13-311.

VOTE: Yeas – 7 Nays – 0

8. Approval of the Sale and Conveyance of Parcel 659 Lafond Avenue under the NSP Program, Frogtown, District 7, Ward 1.

Chair Thune announced the public hearing. There being no testimony, Commissioner Thao moved approval. Approved as set forth in RES PH 13-313.

VOTE: Yeas – 7 Nays – 0

9. Approval of the Sale and Conveyance of Parcel 695 4th Avenue East under the ISP/NSP Program, Dayton's Bluff, District 4, Ward 7.

Chair Thune announced the public hearing. There being no testimony, Commissioner Lantry moved approval. Approved as set forth in RES PH 13-314.

VOTE: Yeas – 7 Nays – 0

10. Approval of the Sale and Conveyance of Parcel 742 Jessamine Avenue E. under the NSP Program, Payne-Phalen, District 5, Ward 6.

Chair Thune announced the public hearing. There being no testimony, Commissioner Bostrom moved approval. Approved as set forth in RES PH 13-316.

VOTE: Yeas – 7 Nays – 0

11. Approval of the Sale and Conveyance of Parcel 1185 Burr Street under the NSP Program, Payne-Phalen, District 5, Ward 5.

Chair Thune announced the public hearing. There being no testimony, Commissioner Brendmoen moved approval. Approved as set forth in RES PH 13-317.

VOTE: Yeas – 7 Nays – 0

12. Approval of the Sale and Conveyance of Parcel 712 Magnolia Avenue E. under the NSP Program, Payne-Phalen, District 5, Ward 6.

Chair Thune announced the public hearing. There being no testimony, Commissioner Bostrom moved approval. Approved as set forth in RES PH 13-315.

VOTE: Yeas – 7 Nays – 0

13. Approval of the Sale and Conveyance of Parcel 536 Jenks Avenue under the NSP Program, Payne-Phalen, District 5, Ward 5.

Chair Thune announced the public hearing. There being no testimony, Commissioner Brendmoen moved approval. Approved as set forth in RES PH 13-312.

VOTE: Yeas – 7 Nays – 0

14. Approval of the Sale and Conveyance of Parcel 1554 Minnehaha Avenue E. under the NSP Program, Dayton's Bluff, District 4, Ward 7.

Commissioner Lantry stated she appreciated the hard work from PED staff regarding the 4th Street Preservation Project and is pleased to see renovation completed on so many homes sold to new residents.

Ms. Cecile Bedor, HRA Executive Director, called out members of the ISP/NSP team for their consistent, professional, and quality work on the ISP/NSP homes approved for sale at this meeting.

Chair Thune announced the public hearing. There being no testimony, Commissioner Lantry moved approval. Approved as set forth in RES PH 13-318.

VOTE: Yeas – 7 Nays – 0

DISCUSSION

15. Resolution Levying the Housing and Redevelopment Property Tax, Payable in the Year 2014, on All Real and Personal Property Within the City of Saint Paul and Adopting the 2014 HRA Budget. Citywide.

Ms. Bedor recognized PED's lead accountant, Jerry Falksen, for his assistance in developing the 2014 budget.

Commissioner Lantry moved approval. Approved as set forth in RES 13-1946.

VOTE: Yeas – 7 Nays – 0

16. Resolution Approving and Authorizing Resubordination of HRA Mortgage for Parkside Gardens Senior Housing Project located at 1145 Hudson Road, Saint Paul, Minnesota (aka Bridgecreek Senior Place Apartments), Extending Affordability Period, and Releasing Certain Parcels of Land from HRA Mortgage, District 4, Ward 7.

Ms. Bedor acknowledged Project Manager Ms. Diane Nordquist's work on this project and introduced John Peterson, attorney at Winthrop and Weinstine, Alison Wadle, Vice President of Hunt Companies, and Kji Helffenstein, Vice President of Hunt Companies.

Commissioner Lantry acknowledged the hard work done by Ms. Nordquist.

Commissioner Lantry moved approval. Approved as set forth in RES 13-2007.

VOTE: Yeas – 7 Nays – 0

17. Resolution Approving and Designating Mississippi Market as Tentative Developer for a portion of the HRA Owned Parcel at 740 East 7th Street; District 4, Ward 7.

Ms. Bedor stated there are two separate actions before the Board related to this property. This first action is for Mississippi Market.

The property at 740 East 7th, which had been occupied by Hospital Linens, was acquired by the HRA in 2004. 7th Street Partners, pursuant to a 2005 development agreement with the HRA for this site and several adjacent parcels, was to redevelop all these properties (Properties) into 60 single-family homes. Unfortunately, the downturn in the for-sale housing market in 2006 made this development infeasible. In lieu of foreclosure, 7th Street Partners deeded all the properties back to the HRA in 2007.

Due to the ensuing recession, no attempts were made to redevelop the site from 2008 to mid-2012. In June of 2012, staff issued a Request for Interest (RFI) for the Properties. Commonbond Communities, Mississippi Market, and Dominion responded to the RFI. Through a review panel comprised of PED staff, community members, and Council President Lantry's office, Dominion and Mississippi Market were selected to jointly develop a redevelopment plan for the Properties.

Mississippi Market is proposing to develop a 15,600 square foot natural food co-op at the corner of East 7th and Maple Street. Mississippi Market will work to finalize project details, however it is firm that they will purchase the property at market value and will not request subsidy from the City/HRA for the development.

Commissioner Lantry stated that while she understands a labor peace agreement is not required on this project, she contacted Mississippi Market (MM) representatives to see if they would be willing to enter into a LPA anyway. MM declined, noting that this is a market transaction, and does not involve any subsidy. She stated that even without a LPA, she expects that Mississippi Market will not try to stop an organizing effort. Also, if there are planned raises or benefit increases, she expects that they will not be put on hold for any reason during an organizing campaign. She stated there is great excitement in the neighborhood about his project.

Ms. Bedor introduced Ms. Gail Graham, Mississippi Market General Manager.

Commissioner Stark stated his support of Commissioner Lantry's comments. He agreed that if the HRA is selling the property at market rate, then the HRA does not have a role in determining labor practices. He stated his support, however, if an organizing campaign is undertaken.

Commissioner Lantry moved approval. Approved as set forth in RES 13-1988.

VOTE: Yeas – 7 Nays – 0

18. Resolution Approving and Designating Dominion or an affiliate thereof, as Tentative Developer for the HRA Owned Parcels at 740(a portion thereof), 724, 722, 716, 712 and 710 East 7th Street, and 412 and 406 Bates Avenue; District 4, Ward 7.

Commissioner Lantry stated she did not want to lose sight of the two groups that have decided to invest in Dayton's Bluff. She stated the gateway coming into the Eastside is going to be extraordinary.

Ms. Bedor introduced Patrick Ostrom, Development Associate with Dominion. She stated that the action before the Board was approval of tentative developer status for 12 months. Dominion is proposing the development of 110 units of affordable senior housing.

Commissioner Bostrom stated there is a lingering senior development in Phalen Village that has been struggling to find the gap money to complete the project that has been in the works for about three years. He stated his concern of other new projects moving forward before other projects that have been trying to move forward for a while.

Chair Thune stated there is a major housing complex on the west side that will be evicting seniors in a few months if a solution isn't found soon. When Wilder walked away from their

properties, they left everyone in the lurch and new owners of the property can't afford to take over the mortgage without raising the rent.

Commissioner Lantry moved approval. Approved as set forth in RES 13-1987.

VOTE: Yeas – 7 Nays – 0

Chair Thune announced his stepping down as Chair of the HRA.

ADJOURNMENT

Commissioner Lantry moved adjournment. The HRA meeting was adjourned.