

Name: Kendal Payne Avenue Hardware Store	Date of Update: 11/9/2011
	Stage of Project: Development
Location (address): 840 Payne Avenue (NE corner of Payne and Phalen Blvd.)	
Project Type: Retail	Ward(s): 6 District(s): 5
PED Lead Staff: Sheri Pemberton-Hoicy	

Description			
Kendall Hardware located at the southeast corner of Payne and Maryland is being displaced by the widening of Maryland Avenue to construct a new turn lane and improve better traffic flow and reduce accidents. Kendall Hardware has been in the Payne Avenue Neighborhood for over 50 years and the community strongly supports Kendall remaining in the neighborhood and supports the relocation of Kendall Hardware to a new building at 840 Payne Avenue (NE corner of Payne and Phalen Blvd.) Kendall needs to be off the existing site by April 15, 2012 in order for demolition and improvements to commence in the area. The new Kendall "Payne Avenue" Hardware store will consist of newly constructed 13,600 sq/ft, two story building with full basement and off-street parking for 24 cars. HRA approved tentative developer designation September 14, 2011.			
Building Type:	NA	Mixed Use:	0
GSF of Site:	47,277	Total Development Cost:	\$2,423,000
Total Parking Spaces:	24	City/HRA Direct Cost:	\$1,535,000
Total Public Spaces:	0	Total City/HRA & Partners Cost:	\$1,565,000
Est. Year Closing:	2012	Est. Net New Property Taxes:	\$10,000
		In TIF District:	No
		Meets PED Sustainable Policy:	Yes
Developer/Applicant:	Kendall Land Company, LLC		

Economic Development		Housing						
Jobs	Created: 2 full and 2 parttime Retained: 12 * Living Wage: EX -	Units	Rent Sale Price Range	Affordability				
				<=30%	31-50%	51-60%	61-80%	>80%
		Eff/SRO						
		1 BR						
		2 BR						
		3 BR +						
New Visitors (annual):	0	Total	0	0	0	0	0	0
				0%	0%	0%	0%	0%

Current Activities & Next Steps
HRA approved sale and entering into development agreement 11/9/11. HRA also approved \$625,000 in CDBG financing assistance. Final bids on the project came in over \$600,000 higher. PED staff, Kendall, architects and builders have been working on ways to cut the costs. HRA will be considering additional financing request of \$330,000 at the HRA meeting of 1/25/12. Additional funds are proposed to come from 2010 CDBG Business Fund. The STAR Board and City Council approved \$200,000 of STAR funds in a grant to assist in the development of this site with a match of 4:1.

City/HRA Budget Implications
The Total Development Costs include (1) the STAR \$200,000 previously approved and available; (2) Deferred Loan on Land price of \$380,000, funds already expended under CDBG when acquires; (3) \$625,000 of newly identified funding for the construction of this development approve 11/9/11. Additional \$330,000 of CDBG funds to be considered by HRA on 1/25/12.

*If Living Wage does not apply, NA is indicated. If Living Wage does apply but there is an exemption, EX with a number corresponding to the exemption in the Living Wage policy will be indicated: 1-conduit bonds, 2- small business, 3-intermediaries, 4-first year for business, and 5-redevelopment.
This document is for information purposes only and is deemed reliable but not guaranteed. Information is subject to change without notice, and does not constitute a binding obligation on the part of either the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (HRA) and the City of Saint Paul, Minnesota, nor are either parties responsible for any omissions or errors. Except for Closed Projects, all items are subject to final negotiations and approval, the sources of funds may not be an actual commitment or approval of funds by the City/HRA or any other funding partner and developers listed for projects are also subject to change.