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

REPORT TO THE COMMISSIONERS **DATE: AUGUST 13, 2025**

REGARDING: APPROVAL AND AUTHORIZATION OF A SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS WITH RAY COLLINS AND CAROLYN J. COLLINS, WARD 1, DISTRICT 8.

Requested Board Action

Approval and authorization of a Settlement Agreement and Release of all Claims with Ray Collins and Carolyn J. Collins, Ward 1, District 8.

Background

Ray Collins and Carolyn J. Collins are the owners of property located at 568 Iglehart Avenue, Saint Paul, MN 55104. They received a forgivable loan in the amount of $33,230.00 under the HRA's Homeowner Rehabilitation Program for the purposes of hiring a contractor to perform rehabilitation work at 568 Iglehart. Loan funds were disbursed by PED to a contractor selected from a list maintained by PED for the purpose of the program once certain disbursement conditions were met, which conditions included written approval by the Collinses and an HRA rehabilitation advisor. During the course of the rehabilitation work, it was determined that the work being performed was unsatisfactory and, in part, outside the scope of work set forth in the construction contract, permits, and Homeowner Rehabilitation Program Guidelines. Deficiencies were confirmed by a third-party construction consultant retained by the City to inspect the Property. Based on these facts, the Collinses and HRA seek to enter into a Settlement Agreement and Release of All Claims to discharge the original loan, provide the Collinses with funds sufficient to engage a new contractor to correct the deficient work performed at 568 Iglehart, and release all claims between the HRA, the City of Saint Paul, and the Collinses.

Budget Action

The settlement will be funded with HRA General Fund.

Future Action

Not applicable.

Financing Structure

The Settlement Agreement and Release of all Claims will provide the funds necessary for the homeowners to be put in the position they would have reasonably expected to be in if the work had been completed satisfactorily. The original loan in the amount of $33,230 will be discharged as part of the settlement.

PED Credit Committee Review

Not applicable.

Compliance

Not applicable.

Green/Sustainable Development

Not applicable.

Environmental Impact Disclosure

Not applicable.

Historic Preservation

Not applicable.

Public Purpose/Comprehensive Plan Conformance

Not applicable.

Recommendation

The Executive Director recommends approval of the settlement agreement for 568 Iglehart Avenue for the purposes outlined in this Board Report.

Sponsored by: Commissioner Johnson
Staff: Director Nicolle Newton

Attachments: Settlement Agreement with Ray Collins and Carolyn J. Collins