

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

REPORT TO THE COMMISSIONERS

DATE: August 12, 2015

REGARDING: **APPROVAL OF A FORGIVABLE LOAN FROM THE NEIGHBORHOOD COMMERCIAL PARKING PROGRAM TO THE GRIGGS MIDWAY BUILDING CORPORATION. (DISTRICT 11, WARD 4)**

## **Requested Board Action**

The specific actions being requested of the HRA Board are as follows: Approve a forgivable loan of up to \$200,000 for the Griggs Midway Building Corporation to assist with the redevelopment of the Griggs Midway parking lot.

## **Background**

The background of this project and the Neighborhood Commercial Parking Pilot Program includes the following:

- **Program need and authorization:** The Parking Program was approved by the HRA on August 12, 2009, by Resolution 09-08/12, to help mitigate the loss of 85% of the parking on University Avenue due to light rail development, and to minimize the disruption and relocation of businesses in the Central Corridor. The HRA approved additional funding by Resolution 10-3/10 on March 10, 2010.
- **Second round of applications:** On June 23, 2010, by Resolution 10-06/23-9, the HRA approved funding from the Parking Program for 24 projects in the Central Corridor. In the spring of 2013, the Parking Program solicited a second round of applications to the Parking Program. The Oromo Community parking project emerged as the best candidate in Ward 1 and on July 23, 2014, by Resolution #14-1255, the HRA approved a forgivable loan of up to \$200,000 for this project. The Griggs Midway Building Corporation emerged as the best candidate in Ward 4, and is seeking approval by the HRA of a forgivable loan of up to \$200,000.
- **Griggs Midway Parking Project:** The Griggs Midway Building Corporation owns five buildings in the block behind the NE corner of Fairview and University. Two of the buildings front on Dickerman Park, which is being reclaimed by the Parks Department from decades of private use and developed into a park, eliminating about 57 parking

spaces. In addition, the Griggs Midway Building has developed a parking lot that encroaches in the City's right-of-way on Fairview Avenue, which the City also wants to reclaim, at a cost of about another 27 parking spaces. To mitigate the loss of this parking and remove the encroachments on Fairview, this forgivable loan from the Parking Program will redesign the remaining parking more efficiently to almost make up for the parking lost in Dickerman Park and on Fairview Avenue.

- **Other background information:** The project is consistent with the zoning for the property, which is T4 (Traditional Neighborhood). Because it is within a quarter mile of an LRT station, there are no parking requirements for the building. No additional City or HRA approvals are required. No existing businesses will be displaced or relocated. No acquisition by eminent domain is involved. A map of the project is attached as **Attachment B.**

#### **Budget Action**

N/A

#### **Future Action**

N/A

#### **Financing Structure**

The source of funds from the Parking Program is the Snelling University Tax Increment Financing District (the CCLRT Betterments). The loan will be forgiven over a 7 year period, provided the parking lot is maintained.

#### **PED Credit Committee Review**

The Chair of the PED Credit Committee reviewed the loan on June 19, 2015, and determined that the project is consistent with the Parking Program guidelines as previously approved by the Credit Committee.

#### **Compliance**

The following compliance requirements apply to this project: Vendor Outreach, Two-Bid Policy, Affirmative Action, and Little Davis Bacon.

### **Green/Sustainable Development**

The project is considered maintenance of an existing nonconforming parking lot and is therefore not required to comply with the site plan review requirements for parking lots (including the stormwater management and landscaping requirements), or the Saint Paul/HRA Sustainability Initiative. The project will, however, dramatically improve the appearance of the parking lot on Fairview north of University by removing vehicular encroachments and developing a landscaped buffer between the parking lot and the sidewalk.

### **Environmental Impact Disclosure**

N/A

### **Historic Preservation**

N/A

### **Public Purpose/Comprehensive Plan Conformance**

The primary purpose for this project is to retain local businesses, and the secondary purpose is to support commercial activity, as detailed in **Attachment F**. The project conforms with the Fairview Station Area Plan, a chapter of the City's Comprehensive Plan, adopted by the City Council on October 22, 2008, section 3 of which supported reclaiming Dickerman Park and section 4 of which supported using landscaping to buffer parking lots from the pedestrian environment.

### **Recommendation:**

The Executive Director recommends approval of a forgivable loan of up to \$200,000 from the Neighborhood Commercial Parking Program for the Griggs Midway Building Corporation parking project.

**Sponsored by:** Commissioner Russ Stark

**Staff:** Ross Currier, 266-6611

## **Attachments**

- **Attachment B -- Map**
- **Attachment C -- Public Purpose**
- **Attachment D – District 11 Profile**