Report to the City of Saint Paul Legislative Hearing Commission **update** **5.18.2023**

Summary of Feasibility Work for Rehabilitation of 678 Snelling Avenue North

African Economic Development Solutions

The Little Africa Plaza project is now scheduled for a construction start on or before September 30, 2023, depending on final funding procedures. before

Building Condition:

- Condition remains stable.
- No security system can be installed due to inability of electrician to get Xcel to install a new or temporary service.

Building Design:

- A condition of funds from the City in excess of $250,000 is the requirement to meet a sustainability standard. For commercial buildings that is LEED Certification or compliance with the State of MN B3 program. The B3 program was chosen; the standard is set at 80% of net zero energy, or approximately 50% higher than the current building code. This requires a review and redesign of the electrical, mechanical, plumbing systems and interior finishes. This review is to be completed by mid-June, at which time the project will be put out for subcontractor bids.

Funding Notes:

- The Little Africa Plaza project was awarded a grant of $500,000 from the Otto Bremer Trust.
- The project did not make it to the funding list for the 2023/2024 earmark competition.
- A request was made on 2.6.2023 to the St. Paul HRA for a combination loan and grant to fill the remaining gap to complete the project financing. The request was received positively and sent out for public review. A final decision by the HRA is anticipated by mid-June.
- The City requested the addition of an amortizing loan from an outside source. The project has obtained a loan commitment from Sunrise Bank and is also reviewing a loan from the LISC Twin Cities CAT funds, or another lower interest lender.
- A request was made for state bond funds; a final decision is anticipated on 5.22.2023.