



**African
Economic
Development
Solutions**

*Building wealth within
African immigrant communities.*

September 11, 2023

Council Member Mitra Jalali
Legislative Hearing Officer Marcia Moermond
Jonathan Reisetter, PED Project Manager
City of Saint Paul

via Email

RE: Response to Resolution LH Substantial Abatement Order: RLH RR 20-22

Ms. Jalali, Ms. Moermond and Mr. Reisetter,

In compliance with this resolution, we provide below the information requested in the agreement numbers 1 and 2.

1. AEDS shall provide within 3-4- weeks a letter/written statement from their accountant or auditor that the following already-dispersed grant funds (\$1,055,000), have been retained by AEDS for the purpose of rehabbing this property: a) Otto Bremer Trust \$500,000; (b) Bigelow Foundation \$200,000; (c) St. Paul Foundation \$150,000; (c) Hardenbergh Foundation \$100,000; (d) McKnight Foundation \$100,000; and (e) Neighborhoods United Funding Collaborative \$5,000.

2. If any of the above grant funds have been expended already for purposes of the rehabilitation, the accountant or auditor shall specify in a letter/written how these funds were used.

Below is a summary of the foundation funds received for the Little Africa Plaza project and the predevelopment expenses incurred. The next page itemizes these expenses.

Funder	Grant Amount	% paid
Otto Bremer Trust	\$ 500,000.00	0%
<i>Condition: Financing Closing</i>		
Neighbors United Funding Collaborative	\$ 5,000.00	0%
<i>Miscommunication re W-9, invited to reapply</i>		
Total Foundation Funds unpaid		\$ 505,000.00
Bigelow Foundation	\$ 200,000.00	100%
St. Paul & MN Foundation	\$ 150,000.00	100%
Hardenbergh Foundation	\$ 100,000.00	100%
McKnight Foundation	\$ 100,000.00	100%
Total Foundation Funds Paid		\$ 550,000.00
Total Predevelopment Costs Paid		431,599.01
Balance of Foundation Funds available as of 8/31/2023		\$ 118,400.99

Use	Vendor	Payment
A. Total Architect /Design fees	Cushing Terrell	\$ 315,967.46
B. Total Environmental Costs	Braun Environmental	\$ 15,827.70
C. Total Insurance	S. Heinonen Agency	\$ 1,684.58
D. Total Appraisal	Nagell Appraisal	\$ 2,400.00
E. Total Market Study	Cultural Destinations	\$ 22,500.00
F. Total Loan Fees	St. Paul HRA	\$ 1,000.00
G. Total Project Management	Lisa Kugler	\$ 72,219.27
Total Predevelopment Costs Paid		431,599.01

As part of the requirements for the HRA loan, we have provided a set of foundation grant award letters, bank deposit slips, and all predevelopment expense invoices with proof of payment to the City project manager, Jonathan Reisetter.

Regarding #3 in the resolution, specifying additional funding sources and #4 requesting reporting on expenditures of the listed funding sources, only the aforementioned foundation funds have been expended. None of the Sunrise Bank Loan, STAR grants, HRA loan, State capital appropriation, or Ramsey County Critical Corridors funds have been received or spent.

Please contact me at 651-313-5885 ext. 102 Dr. Gene Gelgelu at 651-646-9600 ext.101, or our development consultant, Lisa Kugler, at 612-718-5954. They are all copied on this email.

We look forward to starting the rehabilitation of this building very soon.

Thank you for your consideration.

Sincerely,



Wubitu Ayana Sima, MBA

Vice President of Finance and Administration

CC: Steve Ubl, Department of Safety & Inspections
Joanna Zimney, Legislative Hearing Office
Lisa Kugler, development consultant