

# PUBLIC PURPOSE SUMMARY

Project Name Tax Forfeit Hold Policy and Sales Account # \_\_\_\_\_

Project Address Citywide

City Contact Roxanne Young Today's Date 05/06/2014

## PUBLIC COST ANALYSIS

Program Funding Source: <u>No public cost</u>		Amount:	
Interest Rate: _____	Subsidized Rate: [ ] Yes [ ] No [ ] N/A (Grant)		
Type: Loan Risk Rating: Acceptable (5% res)	Substandard (10% res)	Loss (100% res)	
Grant	Doubtful (50% res)	Forgivable (100% res)	
Total Loan Subsidy*:		Total Project Cost: <u>\$</u>	

\* **Total Loan Subsidy:** Present value of the loan over its life, including expected loss of principal and interest rate subsidy.

## PUBLIC BENEFIT ANALYSIS

*(Mark A1@ for Primary Benefits and A2@ for Secondary Benefits)*

### I. Community Development Benefits

	Remove Blight/Pollution	<b>A2</b>	Improve Health/Safety/Security	<b>A1</b>	Increase/Maintain Tax Base < current tax production: <b>0</b> < est'd taxes as built: <b>\$500-\$1,500</b> < net tax change + or -: <b>+</b>
<b>A2</b>	Rehab. Vacant Structure		Public Improvements		
	Remove Vacant Structure		Goods & Services Availability		
	Heritage Preservation	<b>A2</b>	Maintain Tax Base		

### II. Economic Development Benefits

	Support Vitality of Industry		Create Local Businesses	<b>A1</b>	Generate Private Investment
<b>A2</b>	Stabilize Market Value		Retain Local Businesses		Support Commercial Activity
	Provide Self-Employment Opt's		Encourage Entrep'ship		Incr. Women/Minority Businesses

### III. Housing Development Benefits

	Increase Home Ownership Stock < # units new construction: < # units conversion:		Address Special Housing Needs		Maintain Housing < # units rental: < # units owner-occ.:
		<b>A1</b>	Retain Home Owners in City		
			Affordable Housing		

### IV. Job Impacts

Living Wage applies [ ]

Business Subsidy applies [ ]

[ ] Job Impact	[ X ] No Job Impact	Year 1	Year 2	Year 3	Year 4	Year 5

#JOBS CREATED (fulltime permanent)				
Average Wage				
#Construction/Temporary				
#JOBS RETAINED (fulltime permanent)				
#JOBS LOST (fulltime permanent)				

**V. HOUSING IMPACTS**

**AFFORDABILITY**

<input checked="" type="checkbox"/> Housing Impact	<input type="checkbox"/> No Housing Impact	<=30%	31-50%	51-60%	61-80%	>80%
	#HOUSING UNIT CREATED	*				
	#HOUSING UNITS RETAINED	*				
	#HOUSING UNITS LOST					

\*It is anticipated that new housing units will be created or retained as a result of this policy. The number of units produced as a result of this policy will be tracked by staff.

## Attachment H

### RFP for Disposition – Consistency with Comprehensive Plan

The City of Saint Paul Comprehensive Plan is the City's blueprint for guiding future development. It is designed to respond to existing and anticipated trends in markets and the built environment. It contains six city-wide subject-based plans, one of which is Housing. While all actions of the Housing Division of PED are designed to ultimately implement the Comprehensive Plan, certain actions target various parts of the overall strategy. The disposition of properties with subsidy and the properties with obligations addresses two of the Major Strategies: Preserve and Promote Established Neighborhoods and Ensure the Availability of Affordable Housing Across the City.

Specific Comprehensive Plan goals addressed by this program include:

2.1. Maintain the vitality and high quality of life in existing stable neighborhoods by engaging in a variety of actions

- g. Support private investment in the existing housing stock by using city loans as a leverage. Preserve properties designated historic;
- h. Promote new construction of mixed-income housing to build upon existing neighborhood vitality and to improve the fiscal health of the City;

2.13. Continue to assess vacant housing conditions with City/HRA partners such as community development corporations, nonprofit organizations, private developers, district councils, and block groups, and prioritize City/HRA revitalization assistance to areas with less vibrant housing markets.

2.15. Engage the investor and lender communities to revitalize areas with high concentrations of vacant housing and foreclosures.

- a. Engage vacant property owners with a stake in the foreclosure issue in Saint Paul, potentially as an opportunity to recover some of their losses by selling some of their properties at a discount to City/HRA partners working to rehabilitate vacant housing;
- b. Make use of all available City/HRA tools to ensure that owners of vacant properties maintain their properties to City standards.

3.1. Support the preservation of publicly-assisted and private affordable housing.

- d. Support the preservation of other low-income housing units under private ownership and management. The City/HRA should actively work with private owners to ensure the long-term affordability of such units, particularly in neighborhoods where there are fewer housing choices for low-income people;

3.2. Support new housing opportunities for low-income households throughout the city.

b. Encourage the acquisition of privately-owned affordable housing and land for affordable housing by nonprofit organizations, land trusts, community development corporations, religious institutions, tenants, or private sector actors committed to affordable housing, thereby protecting it from upward pressure on prices and rents. This is a priority in areas expected to experience gentrification;

c. Require all district councils and City-appointed citizen task forces to plan for the production and preservation of affordable housing in their area, through district plans, small area plans, station area plans, or other neighborhood planning processes. These plans should show how each neighborhood or planning area will contribute to citywide goals, by identifying key vacant or under-utilized sites for new mixed-income housing and sites that would provide residents of new housing access to transit and active lifestyles;

Section 3.2.c provides the official charge to Saint Paul District Councils to address the production and preservation of affordable housing in their District Plans. The Disposition Strategy focuses in three neighborhoods: Dayton's Bluff (District 4), Payne-Phalen (District 5), and Thomas-Dale (District 7). Responsively, the City's Disposition Strategy works to meet the following goals of those plans.

#### **District 4 Plan Summary**

##### **Vision**

(Make) improvements in the appearance of housing and its character, including retaining single family residential units and preserving their historic architecture.

H3. Identify problem properties and, in collaboration with District 4 and applicable neighborhood block clubs, develop strategies for addressing issues associated with them.

H4. Provide District 4 with information about Invest Saint Paul, the City's neighborhood improvement and maintenance strategy. This includes information about rehabilitation of vacant buildings and construction of new buildings on vacant sites, as well as the criteria used to determine whether vacant buildings should be rehabilitated or demolished. Seek input from District 4, as appropriate.

H5. Continue to provide District 4 with information about pending actions against vacant properties under the City's nuisance ordinance so that the district council may comment regarding proposed actions for the property.

H6. The District Council will work with developers to identify possible sites within the neighborhood to which a structure could be moved if the structure cannot be reused or cannot be incorporated into a proposed development. If demolition or rehabilitation of a structure is unavoidable, the District Council encourages "deconstruction" techniques to be used to salvage whatever materials possible for reuse.

### **Railroad Island Plan (District 5)**

3. Encourage new housing in the community with city grants and revolving funds.
4. Preserve the affordability of housing in the area by creating new ownership opportunities for a range of income levels.
5. Encourage new single-family housing to be built on lots that are at least 40 feet in width and 5,000 square feet in lot area; discourage lot splits that create lots that do not meet the minimum standard for the zoning district.
6. Promote the rehabilitation of existing housing with the assistance of City sponsored programs. (PED, East Side Neighborhood Development Corporation, Dayton's Bluff Neighborhood Housing Services)

### **Thomas – Dale (District 7) Plan**

- H1. Preserve the existing housing stock by rehabilitating units to accommodate future use.
- H3. Encourage the development of affordable housing units via new construction and infill.
- H6. Increase the level of home ownership and rental property for people with a variety of income levels and housing needs.
- PED8. Increase the number of housing units in the district.