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10/19/2016

MEMO

TO: Council Member Russ Stark, Office of the City Council

Marcia Moermond, Legislative Hearing Officer, City of St. Paul - Office of the City Council Steve Magner, Code Enforcement Manager, City of St. Paul - Department of Safety & Inspections

Justine Beran, Program Manager, Twin Cities Community Land Bank

Jules Atangana, Project Manager, City of St. Paul – Planning and Economic Development

FROM: Becky Errigo, Housing Development Manager, NeighborWorks Home Partners

Greg Finzell, Executive Director, Rondo Community Land Trust

RE: 1698 Lafond, owned by Richard Ayd

NeighborWorks Home Partners (NWHP) and Rondo Community Land Trust (Rondo CLT) have worked toward trying to acquire and renovate the property at 1698 Lafond, which is a Category 3, vacant house.

Due diligence:

- -We worked with the Twin Cities Community Land Bank in securing grant funds of \$20,000, which were recycled from other projects.
- -We had conversations with PED staff regarding funding the project with up to \$100,000 of CDBG funds. At the time of initial conversations, PED staff was willing to bring the request to the Housing and Redevelopment Authority (HRA) Board.
- -After the last Legislative hearing on September 13, 2016, NWHP and Rondo CLT staff met with CM Stark (on 9/20/16). This meeting was to inform CM Stark of the progress on the project and to determine if there would be support in funding the project using City of St. Paul CDBG funds of up to \$100,000. At that point, CM Stark seemed willing to support the funding request as well as potentially assist in determining other ways to balance the development budget.
- -PED staff informed us, on 10/19/2016, that while this was a good project, the determination was made that with limited resources available, this project was not a priority for funding at this time.

Since we are <u>unable to secure City, CDBG funds of \$100,000 for this project, NWHP, is not in a position to move forward</u> in acquiring this home for renovation and sale to an owner occupant. We will meet with the homeowner on 10/20/2016 to inform him of this news.

