



Legislation Details (With Text)

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Title: Resolution establishing the Naturally Occurring Affordable Housing (NOAH) loan program guidelines and allocating Housing Trust Funds to the program, Citywide

Sponsors: Chris Tolbert

Indexes:

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Attachments: 1. Board Report, 2. Program Guidelines, 3. Financial Analysis, 4. Presentation

Date	Ver.	Action By	Action	Result
11/8/2023	1	Housing & Redevelopment Authority	Adopted	Pass

Resolution establishing the Naturally Occurring Affordable Housing (NOAH) loan program guidelines and allocating Housing Trust Funds to the program, Citywide

WHEREAS, the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the "HRA") is a public body corporate and politic established pursuant to the provisions of Minnesota Statutes, Section 469.001, et seq. (the "Act"); and

WHEREAS, the HRA has the power to engage in development or redevelopment activities under Minnesota law and the HRA is authorized to engage in activities relating to (a) housing projects and development, (b) removal and prevention of the spread of conditions of blight or deterioration, (c) bringing substandard buildings and improvements into compliance with public standards, (d) disposition of land for private redevelopment, and (e) improving the tax base and the financial stability of the community, and to engage in the aforementioned activities when these needs cannot be met through reliance solely upon private initiative and which can also be undertaken in targeted neighborhoods; and is authorized to create redevelopment projects as defined in Minn Stat Section 469.002, Subd. 14; and

WHEREAS, HRA staff proposes establishing the attached program guidelines for a Naturally Occurring Affordable Housing (NOAH) Loan fund to aid in the acquisition of unsubsidized housing, and in the preservation of affordable rents, and creation of housing opportunities for low and moderate income households. Property owners that utilize the fund will commit to a minimum of 20 years of rent and income restrictions, and funding will be awarded through a semi-annual application process. Funding decisions will be made based on alignment with the minimum requirements of the program, and the Affordable Housing Preservation Priorities outlined in the Program Guidelines document.

WHEREAS, HRA staff proposes allocating \$3,000,000 in existing Housing Trust Funds to the NOAH Loan Fund.

WHEREAS, staff recommends waiver of the Early Notification System requirement to allow for timely real estate transactions such that borrowers willing to preserve and restrict the affordability of the units can compete with potential purchasers that may otherwise raise rents and not preserve the affordability of the units.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota that:

1. The HRA Board of Commissioners hereby approves establishment of the attached guidelines for a Naturally Occurring Affordable Housing (NOAH) loan fund to aid in the acquisition and preservation of unsubsidized affordable housing.

2. The HRA Board of Commissioners hereby allocates \$3,000,000 from the Housing Trust Fund to the NOAH loan fund.

3. The HRA Executive Director, staff, and legal counsel for the HRA are further directed and authorized to take all actions necessary to implement this Resolution, so long as the actions are consistent with the intent of this Resolution. The HRA's Executive Director is authorized to execute any documents and instruments in connection with this Resolution.

4. Early Notification System requirement is waived for all sales pursuant to the NOAH Loan Fund guidelines..