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Title: Resolution Authorizing a Budget Amendment to Allocate Value Gap Subsidy, Convey Property and Enter into a Development Agreement for the Village on Rivoli Project, District 5, Ward 5

Sponsors: Amy Brendmoen

Indexes:

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Attachments: 1. Board Report, 2. Attachment A - Budget Amendment, 3. Attachment B - Map, 4. Attachment C - Public Purpose, 5. Attachment D - District 5 Profile

Date	Ver.	Action By	Action	Result
4/27/2016	1	Housing & Redevelopment Authority	Adopted	Pass

Resolution Authorizing a Budget Amendment to Allocate Value Gap Subsidy, Convey Property and Enter into a Development Agreement for the Village on Rivoli Project, District 5, Ward 5

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.; and

WHEREAS, the HRA has the power to engage in development or redevelopment activities under Minnesota law; 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, 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 Minnesota Statutes section 469.002, subd. 14; and

WHEREAS, in 2004, Dayton's Bluff Neighborhood Housing Services (DBNHS) entered into a development agreement for the redevelopment of several properties in the Railroad Island neighborhood; and

WHEREAS, while several stages of redevelopment in Railroad Island have been completed, the Village on Rivoli site, which was contemplated in the agreement, has not yet been developed; and

WHEREAS, for the past several years, DBNHS has been working on the Village on Rivoli site doing cleanup, grading, site assembly, the construction of a stormwater management system, and pursuing funding commitments; and

WHEREAS, DBNHS is now ready to move forward on the first stage of development, which is comprised of seven newly constructed single family homes; and

WHEREAS, the seven lots are currently owned by the HRA and need to be conveyed to DBNHS in order to carry out the first stage of construction; and

WHEREAS, a new development agreement needs to be put in place to update project funding, schedules, project plans and compliance; and

WHEREAS, DBNHS has requested financial assistance in the amount of \$463,442 as value gap subsidy on the first couple of stages and includes twelve single family homes; and

WHEREAS, the HRA Board determines that there is a public purpose in conveying property to DBNHS for the purpose of constructing seven single family homes, entering into a new and updated development agreement and providing financial assistance in the amount of \$463,442 for the purpose of value gap subsidy; and,

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 hereby approves the budget amendment found as Attachment A to this Resolution.
2. The HRA Board finds that the proposed sale is for a proper purpose and in accordance with law, and hereby approves the sale to Dayton's Bluff Neighborhood Housing Services of 673, 677, 681, 685, 689, 693, and 697 Rivoli Street, legally described as:

Lot 1, Block 1, Village on Rivoli Addition (673 Rivoli Street)

Lot 2, Block 1, Village on Rivoli Addition (677 Rivoli Street)

Lot 3, Block 1, Village on Rivoli Addition (681 Rivoli Street)

Lot 4, Block 1, Village on Rivoli Addition (685 Rivoli Street)

Lot 5, Block 1, Village on Rivoli Addition (689 Rivoli Street)

Lot 6, Block 1, Village on Rivoli Addition (693 Rivoli Street)

Lot 7, Block 1, Village on Rivoli Addition (697 Rivoli Street)

3. The HRA authorizes and directs the HRA Executive Director to negotiate and execute a conforming development agreement and other required documents on behalf of the HRA provided that such agreement and documents are acceptable in form and substance to the Saint Paul City Attorney.
4. The HRA hereby approves project assistance for value gap subsidy in the amount of \$463,442.