



Legislation Text

File #: RES 14-859, **Version:** 1

Authorization to Approve a Commitment of up to \$250,000 in HOME Loan Funding and \$500,000 in Affordable Housing Trust Fund Financing for the Prior Crossing Housing Development Located at 1949 University West, District 11, Ward 4.

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 Minnesota Statute Section 469.002, Subd. 14; and

WHEREAS, Beacon Interfaith Housing Collaborative, (the "Developer") is asking for up to \$250,000 in HOME funds and \$500,000 in Affordable Housing Trust funds to assist in the acquisition and construction of the Prior Crossing homeless youth supportive housing development ("Project") located at 1949 University; and

WHEREAS, the Developer needs to secure additional funding for the Project and expects such other funding to be awarded by December 31, 2014; and

WHEREAS, the HRA's allocation of up to \$250,000 in HOME funds and \$500,000 in Affordable Housing Trust funds is contingent on the Developer securing the balance of their Project financing by December 31, 2014; and

WHEREAS, the HRA Board determines that there is proper public purpose to approve Project financing by allocating HOME funds of up to \$250,000 and \$500,000 of Affordable Housing Trust funds for the Project.

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 hereby approves funding of up to \$250,000 in HOME funds and \$500,000 in Affordable Housing Trust funds for the Project on the following conditions: (a) that Developer secure the balance of needed Project financing by December 31, 2014 and if it fails to do so, then the funding approved by this Resolution shall terminate on January 1, 2015 without further action by the HRA Board; and (b) if the necessary Project financing is timely secured by the Developer, then HRA staff will negotiate the terms of the HRA's permanent funding of up to \$750,000 and staff will present such terms to this Board for approval at a later meeting of the HRA Board.
2. The HRA Executive Director and staff are hereby authorized and directed to take such further action as necessary to implement this Resolution.