



Legislation Text

File #: RES 20-608, **Version:** 1

Resolution authorizing execution of development agreements and related expenditures from the 2019 Community Land Trust Budget within the HRA Development Capital Projects 2019 Housing Trust Fund budget, 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, the Saint Paul City Council, through Resolution 18-2072, adopted 2019 budgets as proposed by the Mayor; and

WHEREAS, the HRA, through Resolution 18-2079, adopted the final 2019 HRA budget; and

WHEREAS, the Saint Paul City Council, through Resolution 18-2080, adopted the 2019 final HRA budget; and

WHEREAS, \$10 million was allocated over a period of three years and \$2 million was allocated annually beginning in 2019 for the Housing Trust Fund to create new affordable housing, preserve existing affordable housing, and protect the quality of affordable housing in Saint Paul; and

WHEREAS, The Housing Trust Fund strategy identifies five key objectives to address housing issues. The strategy builds upon the findings of the Saint Paul Fair Housing Working Group and community engagement during the City's 2040 Comprehensive Plan as well as Mayor Carter's Voices of Our Community and Imagine Our City listening sessions; and

WHEREAS, on May 22, 2019, by Resolution 19-858, the HRA Board accepted and approved Guidelines for Housing Trust Fund Allocations Supporting Community Land Trusts (the "Guidelines") to establish baseline considerations and guidance for community land trust implementation, allocated \$1 million from the Housing Trust Fund for support of community land trusts in a manner consistent with the Guidelines, and amended the HRA Development Capital Projects 2019 Housing Trust Fund budget to establish within it a 2019 Community Land Trust budget reflecting this allocation; and

WHEREAS, on July 9, 2019, HRA staff released a Request for Proposals from community land trusts, and real estate developers partnering with community land trusts, that will provide new opportunities for homeownership for low- and moderate-income households through the community land trust model in

accordance with the Guidelines, and subsequently analyzed proposals received; and

WHEREAS, three developers responded to the RFP. Two of the developers, Twin Cities Habitat for Humanity ("TC Habitat") and The Rondo Community Land Trust ("Rondo CLT") proposed to steward the properties they developed through their own land trusts. The third developer, Greater Frogtown CDC ("GFCDC") submitted its proposal in partnership with the Rondo CLT and proposed to convey the land and stewardship responsibilities to Rondo CLT.

WHEREAS, PED staff recommends that all three proposals be approved. The total amount awarded would be \$715,290, as shown in Attachment A ("Recommendation").

WHEREAS, the HRA established a 2019 Community Land Trust Budget with its HRA Development Capital Projects 2019 Housing Trust Fund Budget. The 2019 Community Land Trust Budget will fund all three proposals.

NOW THEREFORE BE IT RESOLVED that the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, hereby takes the following action:

1. Approves the Recommendations and execution of development agreements with the developers and community land trusts consistent with the approvals contained in this Resolution. The Director of PED is authorized to negotiate development agreements that are consistent with the intent of this Resolution and that are approved by the City Attorney Office.
2. Approves and authorizes subsidy expenditure in the amount of \$715,290 from the 2019 Community Land Trust budget within the HRA Development Capital Projects 2019 Housing Trust Fund budget for the projects described in the Recommendations.
3. Authorizes and directs the HRA Executive Director, staff, and legal counsel for the HRA to take all actions necessary to carry out the activities authorized by this Resolution, and the Executive Director is hereby authorized and directed to execute all documents and instruments necessary to effectuate the activities to be undertaken by this Resolution.