



Legislation Text

File #: RES PH 13-161, **Version:** 1

Resolution Authorizing Entering into a Development Agreement and Approve the Conveyance and Sale of Land to Twin Cities Habitat for Humanity, Inc. for Property Located within ISP/NSP Neighborhoods, Frogtown District 7, Ward 1, Identified as 510 Edmund Avenue

WHEREAS, the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (HRA), has duly adopted and there is now lawfully in effect in the City of Saint Paul, Minnesota, a City Wide Comprehensive/Redevelopment Plan (Plan) providing for the acquisition, clearance and resale of land for redevelopment which includes Frogtown District 7, Ward 1 area within the Plan and the City Consolidated Five-Year Plan; and

WHEREAS, on November 19, 2008 the City Council approved by Resolution 08-1270 the NSP plan and its submission to HUD for \$4.3 million in funding and on January 28, the City received a letter from HUD approving the NSP Plan and funding; and

WHEREAS, on January 28, 2009, the City Council approved by Resolution 09-103 the NSP plan and its submission to Minnesota Housing for \$6.3 million in funding and it was approved February 23, 2009; and

WHEREAS, on February 25, 2009 the HRA approved the Neighborhood Stabilization Program and Rebuilding Plan 2009-2013 under Invest Saint Paul Initiative and approved a budget amendment to carry out Programs/Plans which included the acquisition of properties in designated ISP/NSP areas; and

WHEREAS, on March 24, 2010, by Resolution 10-3/24-3 the HRA accepted and approved the budget for NSP 2 funds (\$18.0 million) to continue to carry out activities under the NSP Rebuilding Plan 2009-2013; and

WHEREAS, on April 20, 2011, by Resolution 11-721 the HRA accepted and approved the budget for \$2,059,877 of NSP 3 funds from HUD to continue to carry out activities under the NSP Rebuilding Plan 2009-2013; and

WHEREAS, on April 20, 2011, by Resolution 11-623 the HRA accepted and approved the budget for \$744,640 of NSP 3 funds from MHFA to continue to carry out activities under the NSP Rebuilding Plan 2009-2013; and

WHEREAS, the increased economic stress these neighborhoods are under with high vacancy and foreclosures creates an opportunity to secure strategic properties in accordance with the NSP Programs and the Strategic Acquisition Criteria that has been identified and guides the selection of properties for acquisition and addresses the issues and concerns identified by the communities through an extensive neighborhood outreach effort undertaken through the Invest Saint Paul Initiative; and

WHEREAS, the property at 510 Edmund Avenue (collectively the "Parcel") met criteria for strategic acquisition under the ISP/NSP activities; and

WHEREAS, Twin Cities Habitat for Humanity, Inc. submitted preliminary proposals for the development of the Parcel and received the support from the Frogtown District 7 Community Council, and is now ready to move forward with the purchase/redevelopment of the Parcel; and

WHEREAS, said proposal, pursuant to due notice thereof was published in the Saint Paul Pioneer Press on

June 15th, 2013, and a public hearing on said proposals and proposed sales and provisions thereof, was held on Wednesday, June 26th, 2013 at 2:00 p.m., Central Daylight Time, third floor City Hall, 15 West Kellogg Boulevard, in the City of Saint Paul, Minnesota; and

WHEREAS, the HRA, pursuant to the provisions of Minnesota Statutes, Section 469.029 and 469.032 agrees to sell the Parcel for use in accordance with the Neighborhood Stabilization Program and Rebuilding Plan which meets the activities identified in the City Wide Redevelopment Plan and City Consolidated Plan; and

WHEREAS, the HRA and Twin Cities Habitat for Humanity, Inc. propose to enter into a Development Agreement/Contract for Sale for the Parcel and develop it in accordance with approved plans on file for use as single family residences for homeownership; and

WHEREAS, the disposal price of the Parcel is in accordance with and subject to the restrictions of the Neighborhood Stabilization Program, City Wide Redevelopment Plan and Consolidated Plan which takes into consideration the development/rehabilitation costs and the affordability costs of making these homes available to families at 50% of the median income.

NOW, THEREFORE, BE IT RESOLVED by the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota as follows:

1. That the proposal by Twin Cities Habitat for Humanity, Inc. to purchase the Parcel located in Frogtown District 7, within Invest Saint Paul/NSP Activity areas hereby conforms to the objectives and specific requirements of the Neighborhood Stabilization Program under the Invest Saint Paul Initiative and meets the intended reuse as identified in the City Wide Comprehensive Plan and Consolidated Plan. The Parcel is legally described as:

Lot 3, Block 2, H.M. Ranney's Subdivision, Block 11, Stinson's Division to St. Paul, Minnesota

2. That the method of disposition of the Parcel is in accordance with the Neighborhood Stabilization Program and Rebuilding Plan 2009-2013 under the Invest Saint Paul Initiative, City Wide Redevelopment Plan and Consolidated Plan and is the appropriate method of making the Parcel available for redevelopment.
3. That the HRA costs for the Parcel are in the amount of \$26,000 for acquisition, \$10,980 for demolition, and \$12,000 for holding costs for a total of \$48,980 and the write-down to ONE DOLLAR AND No/100 (\$1.00) upon completion of improvements and sale to an eligible homebuyer is satisfactory and in accordance with Sec. 469.032 and the Neighborhood Stabilization Program requirements and use and restrictions are in conformance with the City Wide Redevelopment Plan and Consolidated Plan.
4. That Twin Cities Habitat for Humanity, Inc. has the qualifications and financial resources to acquire the Parcel in accordance with the Neighborhood Stabilization Program and Rebuilding Plan 2009-2013 under the Invest Saint Paul Initiative.
5. That the proposed disposal transaction by and between HRA and Twin Cities Habitat for Humanity, Inc. is satisfactory in form and complies with the requirements of state and federal law for the Parcel.
6. That a Declaration of Covenants to insure the Parcel remains homeownership and meet the NSP long term affordability requirements under the Program shall be executed upon sale of the Parcel to the end buyer.

7. That the early notification process under the HRA Disposition Policy was implemented and no other proposals were received during the 45 day notification period.
8. That said proposal is satisfactory and the same is hereby accepted, and the execution and delivery of said Development Agreement/Contract for Sale of Land to Twin Cities Habitat for Humanity, Inc. for the Parcel is hereby authorized by the Board of Commissioners to be executed on its behalf by the Chairperson or his/her designated Commissioner, the Executive Director of the HRA or Acting Executive Director, and the Director, Office of Financial Services of the City of Saint Paul.
9. That the sale to Twin Cities Habitat for Humanity, Inc. is in accordance with said Contract Purchase Price and will include homeowner occupancy only deed restriction, and is hereby authorized by the Board of Commissioners, to be executed on its behalf by the Chairperson or his or her designated Commissioner of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota.
10. That upon satisfactory completion of the improvements, and other obligations, in accordance with the terms of said Development Agreement/Contract for Sale of Land, the execution and delivery of the Certificates of Completion to Twin Cities Habitat for Humanity, Inc. is hereby authorized by the Board of Commissioner to be executed on behalf by the Chairperson or his or her designee.
11. That the Executive Director of the Housing and Redevelopment Authority of the City of Saint Paul is hereby authorized to negotiate and agree to any amendments, deletions or revisions to the Development Agreement/Contract for Sale which do not substantially change the rights or obligations of the Housing and Redevelopment Authority of the City of Saint Paul or Developer under the Development Agreement.
12. The HRA Executive Director and staff are hereby authorized and directed to take all actions needed to implement this Resolution and the Executive Director is authorized to execute such further documents and agreements in connection therewith.