Legislation Text

File #: RES PH 15-194, **Version:** 1

Resolution Authorizing $190,000 Principal Redemption for the Section 108 HUD Note, Series HUD 2003-A and Related Budget Amendment.

WHEREAS, the Department of Housing and Urban Development (HUD) issued an $8,000,000 Section 108 Loan to the City of Saint Paul, to be administered by the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota ("HRA"); and

WHEREAS, the HRA loaned $3,300,000 of the $8,000,000 Section 108 Loan to the Saint Paul Port Authority for development of the Westminster Junction Business Center; and

WHEREAS, the terms of the $3,300,000 Port Authority Loan required the Port Authority to reserve any excess Tax Increment for future loan redemption by the HRA of the Section 108 Loan; and

WHEREAS, the 2015 HRA budget anticipated $135,000 in excess Tax Increment would be returned to the HRA by the Port Authority and used for redemption of the Section 108 Loan;

WHEREAS, the actual excess Tax Increment accumulated in 2015 to be returned to the HRA under the terms of the Port Authority Loan is $190,000, and the HRA budget needs to be amended to reflect the receipt of $55,000 in additional Tax Increment and the application of that additional $55,000 to redemption of the Section 108 Loan; and

WHEREAS, the HRA has been granted permission by HUD to make an additional principal redemption of $190,000 on its Section 108 loan;

NOW, THEREFORE BE IT RESOLVED, by the Board of Commissioners of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota that the 2015 budget for the Section 108 HUD Note, Series HUD 2003-A principal redemption be increased by $55,000, and the conforming budget amendment in Attachment B is adopted; and

BE IT FURTHER RESOLVED that the Executive Director and staff of the HRA are authorized and directed to take all actions needed to implement this resolution.