



Legislation Text

File #: RES 15-293, **Version:** 1

Authorization to Approve Terms of Gap Financing in the Amount of \$550,000 in HOME Funding and \$550,000 in Spruce Tree Tax Increment 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 \$1,100,000 in gap financing to assist in the acquisition and construction of the Prior Crossing homeless youth supportive housing development ("Project") located at 1949 University; and

WHEREAS, the HRA Board determines that there is proper public purpose to approve Project financing by allocating HOME funds of \$550,000 and \$550,000 of tax increment funds from the Spruce Tree/Metz Bakery Tax Increment Financing District (the "Spruce Tree TIF") 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 \$550,000 in HOME funds for the Project in the form of a 0%, deferred loan at a term of 30 years.
2. The HRA Board further approves funding of up to \$550,000 in Spruce Tree TIF for the Project in the form of a 0%, forgivable loan to be forgiven upon compliance with certain conditions after a term of 30 years.
3. The HRA Executive Director and staff are hereby authorized and directed to take such further action as necessary to implement this Resolution.