



## Legislation Text

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**File #:** RES PH 16-303, **Version:** 1

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Resolution Approving and Authorizing the Execution of a Purchase Agreement with SR Development, LLC for sale of 1.31 acres of land located at 217 Chestnut Street, Saint Paul, Mn, District 9, Ward 2

WHEREAS, the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota ("HRA") is a public body corporate and politic established pursuant to the provisions of Minnesota Statutes, Section 469.001 et seq (the "HRA Act"); and

WHEREAS, the HRA has the power to engage in development or redevelopment activities under Chapter 469 of the Minnesota Statutes, Housing and Redevelopment Act ("Act") and by authority of said Act engages in activities relating to: a) housing projects and development; b) removal and prevention of the spread of conditions of blight or deteriorations; c) bringing substandard buildings and improvements into compliance with public standards; d) disposition of land for private development; 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

WHEREAS, the HRA has received a proposal from Schafer Richardson, Inc. and its related entity SR Development, LLC ("Developer") to purchase the land containing 1.31 acres and located at 217 Chestnut Street, Saint Paul, Mn commonly known as the Ryan Lot ("Land") and construct a 175 unit market rate apartment building with 168 enclosed parking spaces ("Improvements"); and

WHEREAS, the Land is currently owned by the City of Saint Paul ("City") and is being replatted by the City and upon completion of the replatting process, it is expected that the City will transfer and convey the Land to the HRA and in turn, the HRA will sell and convey the Land to the Developer; and

WHEREAS, HRA staff has negotiated a purchase agreement with Developer ("Conditional Purchase Agreement") which is conditioned on the City transferring and conveying the Land to the HRA; and

WHEREAS, the Developer has notified community groups of the intended Improvements to be made to the Land, and the early notification system ("ENS") was sent out on April 22, 2016 and no further notices are required to be given under the ENS; and

WHEREAS, a summary of the main terms of the Purchase Agreement are described in the staff report accompanying this Resolution; and

WHEREAS, a public hearing on the sale of the Land is being held on September 14, 2016 by the HRA Board of Commissioners; and

WHEREAS, the HRA Board of Commissioners finds a public purpose for the actions being taken in this Resolution which include the construction of 175 units of market rate apartments, return of tax exempt property to the tax rolls, creation of construction jobs, and receipt of sales proceeds that can be reinvested in other city and HRA activities.

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 and authorizes the execution of the Conditional Purchase Agreement on the terms set forth in the staff report and this Resolution. The HRA Executive Director is authorized to agree to modifications of the Conditional Purchase Agreement that do not make material changes to the terms and conditions of the Conditional Purchase Agreement with the approval of the City Attorney.
- 2) Subject to the City's transfer and conveyance of the Land to the HRA, the HRA Board hereby approves the HRA's sale and conveyance of the Land to the Developer under the terms and conditions set forth in the Conditional Purchase Agreement. The HRA Chair/Commissioner is authorized and directed to execute the deed of conveyance
- 3) The HRA Executive Director, staff and legal counsel for the HRA are further directed and authorized to take all actions necessary to implement this Resolution and the HRA's Executive Director is authorized to execute any documents and instruments in connection therewith.