



Legislation Text

File #: RES 16-1586, **Version:** 1

Resolution Approving and Designating Hmong American Partnership (HAP) as Tentative Developer for the HRA-Owned Parcel Known as Saxon Ford Site, District 7, Ward 1

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, 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 financial stability of the community when these needs cannot be met through reliance solely upon private initiative and that can be undertaken in targeted neighborhoods; and

WHEREAS, the HRA is authorized to create redevelopment projects as defined in Minn Stat Section 469.002, Subd. 14; and

WHEREAS, as described in the staff report accompanying this Resolution, HRA staff issued a Request for Inquiries ("RFI") for the HRA-owned site known as the Saxon Ford Site composed of two parcels - the larger parcel is located at 250, 256, and 262 Sherburne Avenue and 263 University Avenue ("Parcel A") and the smaller parcel is located at 253 and 255 University Avenue ("Parcel B") (collectively Parcel A and Parcel B are referred to as the "Development Site"); and

WHEREAS, two responses were received to the RFI to use and redevelop the Development Site; and

WHEREAS, after reviewing the proposals and interviewing the proposers, HRA staff is recommending that Hmong American Partnership (the "Developer") be granted tentative developer status for the Development Site because the Developer's proposal to create a 50-unit assisted living facility on Parcel A and a two-story Federally Qualified Health Care Center or office/retail building on Parcel B of the Development Site ("Project") best accomplishes the stated HRA goals and objectives for the Development Site, and the Developer has the demonstrated experience and qualifications necessary to successfully redevelop the Development Site; and

WHEREAS, this Board finds the Project serves a public purpose by 1) meeting the City's goal of production of housing and retail space; 2) providing needed services for current and future residents and job workers; 3) redeveloping a vacant parcel of land; and 4) enhancing the tax base capacity for the City; and

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 of Commissioners hereby approves and designates the Developer as tentative developer for the Development Site from the date of approval of this Resolution and continuing until March 31, 2017 for Parcel A and until February 28, 2019 for Parcel B subject to the terms and conditions of this Resolution. The designation of "tentative

developer” means that the HRA has tentatively approved of the Developer and the Project, and that the HRA will not contract with any other person or entity for the sale and development of the Development Site while the Developer diligently pursues the completion of all the tasks and conditions listed below in this Resolution. The HRA does reserve the right in its discretion to approve or not approve a final design of the Project, and decide whether to sell and convey the Development Site to the Developer.

2. Within ten (10) days of the passage of this Resolution, the Developer must execute and deliver to HRA staff the 1st compliance acknowledgement letter and a non-refundable fee of \$4,000 for HRA and City staff time. The Developer must also submit to HRA staff such expense deposit as may be reasonably requested from time-to-time for outside consultants to evaluate the Project. The Developer will be given prior notice of HRA staff’s intent to retain outside consultants and the opportunity to comment on the scope and cost of such consultant’s work.

PARCEL A:

During this seven (7) month period, the Developer must complete at its own cost certain activities with respect to Parcel A of the Development Site. A list of benchmark activities, and the dates such activities will be completed by Developer during this seven (7) month period, include the following:

Prior to October 31, 2016 the Developer must:

- Complete geotechnical study.
- Undertake compaction testing.
- Undertake title review.
- Fit Plan
- Preliminary Site Plan review

Prior to February 28, 2017 the Developer must:

- Identify a qualified assisted living operator.

Prior to March 31, 2017 the Developer must:

- Provide concept plans for the project with input from affected community groups and key City stakeholders.
- Identify partners.
- Completed a preliminary financial model for the project.
- Complete a Response Action Plan for any required environmental cleanup.

Prior to April 30, 2017 the Developer must:

- Provide completed schematic design plans for the project with input from affected community groups and key City stakeholders, including District 7 Council.
- Provide final financial model for the Project.
- Finalize site engineering.
- Complete site plan review process.
- Negotiate basic terms and conditions of a development agreement for Parcel A with HRA staff that will include an environmental indemnity from the Developer, an “as is” clause, and applicable City compliance requirements, and submit this development agreement for approval and obtain approval by the HRA Board of Commissioners

PARCEL B:

The Developer will have until February 28, 2019 to complete, at its own cost, certain activities with respect to Parcel B of the Development Site. A list of benchmark activities, and the dates such activities will be completed by Developer, include the following:

Prior to March 31, 2017 the Developer must complete all of the above tasks for Parcel A.

Prior to September 30, 2018 the Developer must:

- Complete geotechnical study.
- Undertake compaction testing.
- Undertake title review.
- Fit Plan
- Preliminary Site Plan review

Prior to December 31, 2018 the Developer must:

- Identify tenants for the commercial building.

Prior to January 31, 2019 the Developer must:

- Provide concept plans for the project with input from affected community groups and key City stakeholders.
- Identify partners.
- Completed a preliminary financial model for the project.
- Complete a Response Action Plan for any required environmental cleanup.

Prior to February 28, 2019 the Developer must:

- Provide completed schematic design plans for the project with input from affected community groups and key City stakeholders, including District 7 Council.
- Provide final financial model for the project.
- Finalize site engineering
- Complete site plan review process
- Negotiate basic terms and conditions of a development agreement for Parcel B with HRA staff that will include an environmental indemnity from the Developer, an "as is" clause, and applicable City compliance requirements, and submit this development agreement for approval and obtain approval by the HRA Board of Commissioners.

3. If the Developer does not timely and fully complete the tasks specified in paragraph 2 above, the tentative developer status shall either be extended for a reasonable period of time or terminated at the discretion of and by the HRA Executive Director without further action of this Board. An extension can be granted upon a showing that the Developer has made significant progress towards the accomplishment of the tasks described in this Resolution and that the Developer is diligently pursuing the completion of such tasks. Upon a termination, neither the HRA nor Developer have any further rights or obligations under this Resolution.
4. A development agreement for Parcel A must be submitted to and approved by this Board by March 31, 2017, and a development agreement for Parcel B must be submitted to and approved by this Board by February 28, 2019, but nothing in this Resolution, or the actions taken by Developer in connection with the Project, shall be construed to require this Board to approve one or both development agreements.

5. The HRA will grant access to the Development Site to the Developer by a license agreement so that the Developer can perform its due diligence, including soil testing and environmental investigation.
6. The HRA staff are directed to provide Developer with information, documents and other assistance that may be reasonably requested from Developer.
7. The HRA will provide prompt feedback to Developer on the relative economic, programmatic and design suitability of the Project as requested from time-to-time.
8. 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. The HRA Executive Director is further directed and authorized to execute all documents and instruments necessary to implement this Resolution.