



## Legislation Text

**File #:** RES PH 20-135, **Version:** 1

Resolution approving and authorizing (i) the conveyance of land, (ii) acceptance of a purchase price note in the amount of \$2,000,000, and (iii) the execution of a development agreement, LCDA and TBRA Subgrant agreements, and related documents, all for the West Side Flats Phase III A Apartments Project, District 3, Ward 2

WHEREAS, the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the "HRA") has heretofore established the Saint Paul Riverfront Redevelopment Project Area, as expanded (the "Project Area") and has adopted a redevelopment plan therefor (the "Redevelopment Plan") pursuant to Minnesota Statutes, Sections 469.001 to 469.047, as amended (the "HRA Act"); and

WHEREAS, the Redevelopment Plan contains an identification of need and a statement of purpose and objectives, land uses and standards for development for carrying out a redevelopment project, including property to be acquired, public improvements to be provided, development and redevelopment to occur, and sources of revenue to pay redevelopment costs within the Project Area; and

WHEREAS, WSF Phase III A LLC, a Minnesota limited liability company (or any affiliate thereof which owns or develops Market Rate Housing Development described below, the "Developer") has requested that the HRA cause to be prepared a Development Agreement (the "Development Agreement") between the HRA and the Developer setting forth the terms and conditions under which the HRA will provide certain financial assistance to the Developer to facilitate a housing development consisting of a building with approximately 171 market rate rental housing units, with underground parking (the "Market Rate Housing Development"), a copy of which is on file with the Executive Director of the HRA; and

WHEREAS, pursuant to the HRA Act, the HRA is authorized to acquire and convey real property and to undertake certain activities to facilitate the redevelopment of real property by private enterprise; and

WHEREAS, the HRA has on this date conducted a duly noticed public hearing, at which all interested persons were given an opportunity to provide comments to the Board regarding the sale, in accordance with the HRA Act, of portions of the following property (collectively, the "Parcels"):

Parcel ID

06.28.22.41.0050

Approximate Legal Description\*

VACATED STREETS & ALLEYS ACCRUING; THE FOLLOWING, SUBJECT TO EASEMENTS; PART OF GOVT LOT 7 & PART OF BLOCK 175 ROBERTSONS ADDITION & PART OF BLOCKS 3 AND 4 BAZIL AND ROBERT'S ADD DESCRIBED AS BEGINNING AT INTERSECTION OF SOUTHERLY LINE OF BLOCK 175 AND EASTERLY LINE OF RAILROAD ROW THEN NORTHERNLY ALONG EASTERLY LINE OF SD RAILROAD RIGHT OF WAY TO SHORE OF RIVER THEN NORTHEASTERLY ALONG SHORE LINE TO SOUTHWESTERN LINE OF RIVERVIEW OFFICE ADDITION THEN SOUTHERNLY & SOUTHWESTERNLY ALONG SD SOUTHWESTERNLY LINE TO SOUTH LINE OF BLOCK 175 THEN SOUTHWESTERNLY ALONG SD SL TO BEGINNING

Parcel ID

06..28.22.41.0049

Approximate Legal Description\*

LOT OUTLOT C OF RIVERVIEW OFFICE ADDITION

Parcel ID

06.28.22.14.0021

Approximate Legal Description\*

LOT OUTLOT B of RIVERVIEW OFFICE ADDITION

\*The existing parcels will be replatted to create two new tax parcels which are proposed to be identified as follows: Lot 1, Block 1, West Side Flats Phase III which has been assigned an address of 55 Livingston (the "WSF IIIA Parcel") and Lot 2, Block 1, West Side Flats Phase III which has been assigned an address of 85 Livingston (the "WSF IIIB Parcel") all as depicted in the plat map attached to the staff report accompanying this Resolution; and

WHEREAS, to facilitate the Market Rate Housing Development, the HRA proposes to convey the WSF IIIA Parcel to the Developer pursuant to the terms of the Development Agreement. In addition, the WSF IIIB Parcel will be separately conveyed to WSF Phase III B Limited Partnership to facilitate the acquisition and construction of an affordable housing development consisting of a PHIUS pre-certified Passive House building with approximately 82 rental housing units, underground parking and related amenities (the "Affordable Housing Development"); and

WHEREAS, the Developer is requesting a loan of \$2,000,000 of the \$2,221,000 purchase price of the WSF IIIA Parcel ("Land Loan"), and the Land Loan will be made pursuant to the terms and conditions of the Development Agreement, a promissory note, guarantees to be executed by George Sherman and Sherman Associates, Inc., and related documentation (collectively, the "Land Loan Documents"); and

WHEREAS, in connection with the Market Rate Housing Development, the HRA has caused to be prepared a \$257,775 TBRA Subgrant Agreement and a \$600,000 LCDA Subgrant Agreement with the Developer and related loan agreements, promissory notes, real estate mortgages, and other related documents (collectively, the "Subgrant Documents").

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners (the "Board") of the HRA as follows:

Section 1. Approval of Land Sale.

1.01 The Board hereby finds and determines that conveyance of the WSF IIIA Parcel to the Developer is advisable and in the public interest and will further the objectives of its general plan of economic development, because it will increase the tax base in the City, stimulate the development of decent, safe and sanitary housing, and serve as an impetus for further redevelopment.

1.02 The Board hereby approves the conveyance of the WSF IIIA Parcel to the Developer pursuant to the Development Agreement, including without limitation acceptance of a promissory note evidencing the Land Loan for payment of up to a \$2,000,000 portion of the purchase price of the WSF IIIA

Parcel

1.03 The Developer shall execute and deliver the Development Agreement, with terms acceptable to the HRA, not later than June 15, 2020 and the closing on the conveyance of the WSF IIIA Parcel to the Developer pursuant to the Development Agreement shall occur on or before July 1, 2020; provided, however, that the Executive Director of the HRA is hereby authorized to extend such closing date by up to 60 days, if necessary, in the sole discretion of the Executive Director of the HRA without further action by the Board.

1.04 HRA staff and officials are authorized to take all actions necessary to perform the HRA's obligations under the Development Agreement in connection with the conveyance of the WSF IIIA Parcel.

Section 2. Approval and Execution of Documents.

2.01 Approval of Development Documents. The Board hereby approves the Development Agreement, the Land Loan Documents, and the Subgrant Documents in substantially the form on file with the Executive Director, together with any related documents necessary in connection therewith, including without limitation all documents, exhibits, certifications or consents referenced in or attached to the Development Agreement, the Land Loan Documents, or the Subgrant Documents including, without limitation, a deed for the conveyance of the WSF IIIA Parcel, and any subordinations, assignments or consents necessary in connection with the Developer's financing (collectively, the "Development Documents").

2.02 Execution of Documents. The Chair or Commissioner and Executive Director of the HRA and the Director, Office of Financial Services of the City (the "Authorized Officers") are hereby authorized in their discretion and at such time, if any, as they may deem appropriate, to execute, on behalf of the HRA, the Development Documents and to carry out, on behalf of the HRA, directly or through one or more appointed designees, the HRA's obligations thereunder when all conditions precedent thereto have been satisfied. The approval hereby given to the Development Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by the Saint Paul City Attorney to the HRA, the appropriate HRA staff person(s) or by the Authorized Officers authorized herein to execute or accept, as the case may be, said documents prior to their execution; and said Authorized Officers or staff members are hereby authorized to approve said changes on behalf of the HRA. The execution of any instrument by the Authorized Officers shall be conclusive evidence of the approval of such document in accordance with the terms hereof. This Resolution shall not constitute an offer and the Development Documents shall not be effective until the date of execution thereof as provided herein. In the event of absence or disability of any of the Authorized Officers, any of the Development Documents authorized by this Resolution to be executed may be executed without further act or authorization of the Board by any member of the Board or any duly designated acting official, or by such other officer or officers of the Board as, in the opinion of the Saint Paul City Attorney to the HRA, may act in their behalf. The electronic signature of a party to the Development Documents, including all acknowledgements, authorizations, directions, waivers and consents thereto (or any amendment or supplement thereto) shall be as valid as an original signature of such party and shall be effective to bind such party to the Development Documents. Any electronically signed Development Documents shall be deemed (i) to be "written" or "in writing," (ii) to have been signed, and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. For purposes hereof, "electronic signature" means a manually-signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the Internet as a pdf (portable document format) or other replicating image attached to an e-mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

2.03 Future Amendments. The authority to approve, execute and deliver future amendments

to the Development Documents entered into by the HRA and consents required under the Development Documents is hereby delegated to the Authorized Officers of the HRA, subject to the following conditions: (a) such amendments or consents do not materially adversely affect the interests of the HRA; (b) such amendments or consents do not contravene or violate any policy of the HRA; and (c) such amendments or consents are acceptable in form and substance to the Saint Paul City Attorney to the HRA or the counsel retained by the HRA to review such amendments. The authorization hereby given shall be further construed as authorization for the execution and delivery of such certificates and related items as may be required to demonstrate compliance with the agreements being amended and the terms of this Resolution. The execution of any instrument by the Authorized Officers of the HRA shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof. In the event of absence or disability of the Authorized Officers, any of the documents authorized by this Resolution to be executed may be executed without further act or authorization of the Board by any member of the Board or any duly designated acting official, or by such other officer or officers of the Board as, in the opinion of the Saint Paul City Attorney to the HRA, may act in their behalf.