



Legislation Text

File #: RES PH 14-318, **Version:** 1

Approving the use of Neighborhood STAR Year-round program funds including business subsidy requirements for renovations to the Highland and Grandview Theaters.

WHEREAS, on September 10, 2014, the Neighborhood STAR Board reviewed a proposal for STAR financing through the Neighborhood STAR Year-Round Program to assist Grandview Limited Partnership, LLLP with repair and renovation costs associated with the two remaining neighborhood movie theaters in Saint Paul; and

WHEREAS, this project will improve both the Highland and Grandview movie theaters with roof repairs, updated plumbing and new theater seats, drapes, carpeting and counters; and

WHEREAS, the Neighborhood STAR Board rated this project a 4.8 on a scale from 1 (low) to 5 (high); and

WHEREAS, it is the intent of the Mayor and the Saint Paul City Council to participate in the financing of these activities by providing a forgivable loan up to \$166,250 through the Ward 2 and Ward 3 Neighborhood STAR Year-Round Programs; and

WHEREAS, the loan principal together with accrued interest will be forgiven in the event both the Grandview Theater and Highland Theater remain open and operating as commercial movie theaters for a period of at least 8.5 years from the first loan disbursement; and

WHEREAS, alternatively, the loan principal together with accrued interest will be forgiven upon a final, non-appealable determination that the interior or exterior of both theaters are designated for preservation and protection under Chapter 73 of the City's Legislative Code; and

WHEREAS, alternatively, the loan principal together with accrued interest will be forgiven in the event a newly constructed movie theater exhibiting first run motion pictures with a capacity of at least 500 seats opens for business within the City of Saint Paul limits; and

WHEREAS, as this proposal is of substantial community significance, a waiver of the STAR Guideline requiring 50% of the total STAR dollars awarded to a for-profit entity be in the form of a pay-back loan is recommended; and

WHEREAS, a waiver of the STAR Guideline requiring a dollar for dollar match is also being recommended; now, therefore be it

RESOLVED, upon the recommendation of the Mayor, the Council of the City of Saint Paul hereby authorizes and directs the appropriate City officials to execute the necessary loan documents to implement this Resolution, subject to approval by the City Attorney; and be it

FINALLY RESOLVED, staff of the Department of Planning and Economic Development are further authorized and directed to proceed with all other actions necessary to implement this Resolution.