



Legislation Text

File #: RES PH 19-98, **Version:** 1

Resolution approving and authorizing the sale and conveyance of 1155 Beech Street and 857 Jenks Avenue Under the Inspiring Communities program; authorization to enter into a development agreement and authorization of expenditures for redevelopment, Districts 4 & 5, Wards 6 & 7

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 Statutes, Section 469.002, Subdivision 14; and

WHEREAS, the HRA has duly adopted and there is now lawfully in effect in the City of Saint Paul, Minnesota, a City Wide Comprehensive/Redevelopment Plan providing for the acquisition, clearance and resale of land for redevelopment and a City Consolidated Five-Year Plan; and

WHEREAS, on July 24, 2013, by Resolution 13-1097 the HRA Board accepted and approved the HRA Disposition Strategy Work Plan and Budget ("Plan") to address the disposition of certain parcels of real property owned by the HRA; and

WHEREAS, on October 9, 2013, by Resolution 13-1592 the HRA Board accepted and approved key terms of the Plan's Inspiring Communities Program ("Program"); and

WHEREAS, the legal descriptions of the properties described in this Resolution (collectively the "Parcels") are as follows:

857 Jenks Avenue - E. M. MACKUBIN'S 2ND ADDITION LOT 25 BLK 1; and

1155 Beech Street - A GOTZIANS RE OF SIGEL'S ADD LOT 25 BLK 2; and

WHEREAS, HRA staff identified the Parcels as development sites that are eligible for funding from the Metropolitan Council's Local Housing Incentives Account Grant ("LHIA") and a condition of the Metropolitan Council's LHIA funding is that the homes constructed on the lots must be sold to an end-buyer at or below 60% Area Median Income; and

WHEREAS, HRA Staff determined that an unsolicited proposal submitted to the HRA by Twin Cities Habitat for Humanity ("TCHF"), to acquire, rehabilitate, and sell the Parcels to end buyers at or below 60% of Area Median Income ("Proposals"), is consistent with the objectives and goals of the Program and therefore recommends proceeding with a land sale and execution of a development agreement with TCHF (the "Recommendation"); and

WHEREAS, in conformance with HRA's Policy and Procedures for Disposition of HRA Owned Real Estate, written notices of the Proposals were sent to District Planning Councils #4 and #5, respectively, and were made available to the general public through the City's Early Notification System; and

WHEREAS, no comments or other proposals were received during the advertised 45-day response period; and

WHEREAS the Inspiring Communities Met Council Grant account has a sufficient balance to fund TCHFH's subsidy request that is described in the staff report accompanying this Resolution, and this proposal is consistent with Met Council programmatic goals; and

WHEREAS, the Recommendation was considered by the HRA Board pursuant to due notice thereof that was published in the Saint Paul Pioneer Press on March 16, 2019 and after a public hearing that was held on April 10, 2019 at 2:00 pm, central daylight savings time, on the third floor of City Hall, 15 West Kellogg Boulevard, Saint Paul, Minnesota; and

WHEREAS, by this resolution the HRA finds a public purpose for the sale and conveyance of the Parcels.

NOW THEREFORE BE IT RESOLVED by the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, as follows:

1. The HRA Board hereby approves the Recommendation and authorizes the sale and conveyance of the Parcels to TCHFH on the terms and conditions described in the staff report and this Resolution.
2. The HRA Board hereby approves and authorizes the execution of a development agreement with TCHFH consistent with Program requirements, applicable HRA compliance requirements, and the approvals contained in this Resolution, with the approval as to form of the City Attorney's Office and authorizes and directs the Chair/Commissioner, HRA Executive Director, and Director, Office of Financial Services to execute the development agreement.
3. The HRA Board approves a gross subsidy of \$240,763.21, including \$25,500 in financing, and a cash subsidy of up to \$215,263.21 from the Plan budget.

The HRA Board hereby authorizes and directs staff to take all actions necessary to carry out the activities authorized by this Resolution, and the Executive Director is hereby authorized and directed to execute all other documents and instruments necessary to effectuate the activities to be undertaken by this Resolution except that the HRA Chair/Commissioner shall execute the deeds of conveyance of the Parcels to TCHFH.