



## Legislation Text

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**File #:** RES 17-1785, **Version:** 1

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Resolution Approving and Designating The Ackerberg Group as Tentative Developer for the Public Safety Annex at 100 East 10<sup>th</sup> Street, Saint Paul, MN, District 17, Ward 2

**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 site known as the Public Safety Annex located in downtown Saint Paul, MN at 100 East 10<sup>th</sup> Street ("Property") is currently owned by the City of Saint Paul ("City"); and

**WHEREAS**, as described in the staff report accompanying this Resolution, HRA staff issued a Request for Offers ("RFO") for the Property; and

**WHEREAS**, three responses were received to the RFO to purchase the Property for commercial purposes; and

**WHEREAS**, after reviewing the offers, HRA staff is recommending that The Ackerberg Group ("Developer") be granted tentative developer status for the Property because Developer's proposal to redevelop the Property and invest in adjacent City-owned public green space (together the "Project") best accomplishes the stated HRA goals and objectives for the Property, and the Developers have the demonstrated experience and qualifications necessary to successfully redevelop the Property; and

**WHEREAS**, this Board finds the Project serves a public purpose by 1) meeting the City's goal of production of commercial and retail space; 2) rehabbing a vacant structure; 3) investing in public green space; 4) increasing the availability of goods & services; 5) increasing the tax base; 6) and creating local businesses; and

**WHEREAS**, upon the approval of a sale of the Property by the City Council the City will transfer and convey the Property to the HRA and in turn, after a public hearing, and approval of a development agreement, the HRA intends to sell and convey the Property to the Developer.

**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 Ackerberg Group, is designated as Tentative Developer for the Property for a period of one hundred eighty (180) days from the date the Public Safety Annex is vacated by the City of Saint Paul 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 the HRA will not contract with any other entity for the Property while the Tentative Developer diligently pursues the completion of the conditions and tasks described in this Resolution.

**BE IT FURTHER RESOLVED** that the Tentative Developer shall complete the following tasks, at its expense, before the expiration of the tentative developer period:

1. Complete and obtain HRA approval for a formal scope of work with architectural/engineering plans and specifications, which shall be suitable for submission to the Department of Safety and Inspections to obtain the proper building permits, shall incorporate Green/Sustainable Development guidelines, and shall include a site plan, elevations, exterior treatments/materials, and interior schematics for the Property.
2. Work with the City of Saint Paul Department of Parks and Recreation to develop a suitable design of the adjacent Pedro Park space through a public process.
3. Submit evidence of availability of construction financing for review by HRA staff for acceptability.
4. Finalize a detailed development budget and business plan for approval by HRA staff.
5. Negotiate final terms and conditions of a development agreement.

**BE IT FURTHER RESOLVED** that the terms and conditions of a development agreement between the HRA and the Tentative Developer shall include the following terms and restrictions:

1. All pre-development costs are the sole responsibility of the Tentative Developer.
2. The Tentative Developer must work with affected community groups.
3. The Property will be sold "as is." The Tentative Developer shall provide an environmental indemnity to the HRA and City.
4. Sale of the Property will be subject to approval of the City Council and transfer and conveyance of the Property shall be further subject to the HRA, approval after a public hearing.
5. The HRA will cause the City to grant access to the Property to the Developer by a license agreement so that the Developer can perform its due diligence, including environmental investigation, provided that entry onto the Property shall not interfere with any City of Saint Paul operations.

**BE IT FURTHER RESOLVED** that if the Tentative Developer does not timely complete the specified tasks or otherwise abide by the terms of this Resolution, its Tentative Developer Status shall terminate without further action by this Board upon notification of termination by the HRA Executive Director which can occur before the expiration of the 180 day period, or the Executive Director may grant an extension of the Tentative Developer status for a period not exceeding six months upon a showing of significant progress of the tasks defined above by the Tentative Developer.