



Legislation Text

File #: RES 13-1020, **Version:** 1

Resolution Authorizing the Executive Director to Execute Various Documents in Connection with Sparc's Westland Commons HRA Loan, District 6, Ward 5

WHEREAS, on August 10, 2005, the HRA Board approved a \$600,000 loan to Sparc to assist in the purchase of the Larson Greenhouse site located at 399-524 West Maryland Avenue, and on August 30, 2005, PED staff executed a Mortgage, Loan Agreement and a Promissory Note for the \$600,000 HRA loan; and

WHEREAS, Sparc has been unable to develop the site as intended or to pay off the loan, despite its efforts and despite PED's efforts at accommodation; and

WHEREAS, Sparc has executed a deed in lieu of foreclosure which will enable the HRA to request proposals for, and provide for the development of, the site, without the administrative cost and delay associated with foreclosure; and

WHEREAS, Sparc has requested that in exchange for its provision of the deed in lieu of foreclosure, the HRA execute a Covenant Not to Sue Sparc and refrain from further collection efforts in connection with the August 30, 2005 HRA loan,

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 Executive Director is hereby authorized to execute a Covenant Not to Sue Sparc in connection with the August 30, 2005 HRA loan, and any other required documents.