



Legislation Text

File #: Min 14-5, **Version:** 1

Approval of the January 8, 2014 HRA Meeting Minutes.

ROLL CALL

Present: Commissioner Brendmoen, Lantry, Stark, Thao, Thune, and Tolbert

Excused: Commissioner Bostrom

ORGANIZATIONAL MEETING

1. Resolution Appointing HRA Officers.

Commissioner Brendmoen stated her appreciation for the opportunity to serve as the new Chair of the HRA and praised out-going Chair Thune for his many accomplishments during his tenure as Chair of the HRA.

Chair Thune moved approval. Approved as set forth in RES 14-47.

VOTE: Yeas - 6 Nays - 0

CONSENT

2. Approval of the December 11, 2013 HRA meeting minutes.

Commissioner Lantry moved approval. The HRA meeting minutes were approved.

VOTE: Yeas - 6 Nays - 0

PUBLIC HEARING

3. Resolution Approving and Authorizing Conveyance of HRA Owned Properties Located at 1776 Maryland Avenue, Saint Paul, MN as Unit Numbers 100, 109 and 305 to Zeman Construction Company, District 2, Ward 6.

Ms. Cecile Bedor, HRA Executive Director, stated that in 2005, the HRA approved the following: a Development Agreement with North East Neighborhoods Development Corporation (NENDC), nearly \$1.2 million in forgivable gap financing, and a \$600,000 guaranty for the development of the 27-unit Hazel Park Heights building at Maryland and White Bear Avenues. Due to lack of sales, the full guaranty was drawn, and the HRA took ownership of five units. Two of the units were sold in 2012 and the remaining three units have been vacant since construction was completed.

In May of 2013, the HRA received purchase offers from Mark Zeman, the Chief Manager of Zeman Construction Company for the remaining three units. Zeman owns 12 units in the building that are occupied by residents with a rent-to-own option in their lease; the three units in the purchase offer will become part of this program. Zeman will acquire the property for \$145,000. They will put 10% down and the HRA will finance the balance (\$130,500) at 3% for ten years, with monthly payments of approximately \$1,200.

Ms. Bedor noted that she believes that after many years, this sale is a great option to get these

properties sold and occupied. Ms. Bedor commented that Sarah Zorn took over this complicated project after the retirement of a long-term staff person, and has done a great job moving this forward.

Mr. Chuck Repke from the NENDC stated his appreciation of Zeman Construction Company for standing by this property through the years.

Commissioner Stark asked how the purchase price was determined. Ms. Sarah Zorn with PED stated that Zeman approached PED with the prices in May of 2013; staff determined that the proposed purchase prices were consistent with other comparable condo sale prices in the area.

Chair Brendmoen announced the public hearing. There being no testimony, Commissioner Lantry moved approval. Approved as set forth in RES PH 14-14.

VOTE: Yeas - 6 Nays - 0

4. Approval of the Sale and Conveyance of Parcel 904 Aurora Avenue Under the Inspiring Communities Program, Summit University, District 8, Ward 1.

Ms. Bedor stated the HRA purchased 904 Aurora Ave in September 2009 with NSP funds for \$27,932. This foreclosed two-story, 1,485 square foot home with four bedrooms and two bathrooms was built in 1900. The property is being sold to Travis Spires and Anaya Askar based on the after-rehab appraisal and in consideration of NSP costs for \$165,000 with an owner-occupancy deed restriction. Total gap assistance is \$89,298 with program income estimated at \$152,500.

Ms. Bedor noted that Tchu Yajh was the project manager on this home, and Sarah Zorn was responsible for the sale.

Chair Brendmoen announced the public hearing. There being no testimony, Commissioner Thao moved approval. Approved as set forth in RES PH 14-13.

VOTE: Yeas - 6 Nays - 0

On a separate note, Commissioner Stark and Ms. Bedor extended their appreciation to Commissioner Thune for his service as HRA Chair.

ADJOURNMENT

Commissioner Tolbert moved adjournment. The HRA meeting was adjourned.