



## Legislation Text

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**File #:** RES PH 13-148, **Version:** 1

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Resolution Authorizing Sale and Conveyance of a Property Located at 670 Thomas Avenue, Located in Frogtown Planning District 7, Ward 1, to Greater Frogtown Community Development Corporation.

**WHEREAS**, the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (HRA), has duly adopted and there is now lawfully in effect in the City of Saint Paul, Minnesota, a City Wide Comprehensive/Redevelopment Plan (Comp Plan) providing for the acquisition, clearance and resale of land for redevelopment which includes Frogtown District 7 area within the Comp Plan and the City Consolidated Five-Year Plan; and

**WHEREAS**, on November 19, 2008 the City Council approved by Resolution 08-1270 submittal of an amendment to the 2008 Consolidated Plan to the United States Department of Housing and Urban Development (HUD) in order to receive \$4.3 million of Neighborhood Stabilization Program 1 (NSP1) funds, and on January 28, 2009 the City received a letter from HUD approving the amendment and the funding; and

**WHEREAS**, on February 25, 2009 the HRA approved the NSP1 Plan under the programmatic umbrella of the Invest Saint Paul Initiative (ISP) and approved a budget amendment to carry out that Plan which included the acquisition, demolition and redevelopment of properties in designated ISP/NSP areas; and

**WHEREAS**, on February 6, 2013, the City Council approved by Resolution PH 13-32 an amendment to the NSP1 budget authorizing the use of NSP1 program income; and

**WHEREAS**, on November 28, 2012, the HRA approved by Resolution 12-2129 the Affordable Housing Trust Fund Allocation Plan, which included authorization to fund a development gap financing program at the Twin Cities Community Land Bank (TCCLB) and established certain procedures for the sale of property in conjunction with TCCLB's program; and

**WHEREAS**, the HRA has purchased, demolished, and prepared for redevelopment certain properties consistent with the aforementioned plans, including a property located at 670 Thomas Avenue in Frogtown Planning District 7 "the Property"; and

**WHEREAS**, in May 2013, the HRA received a proposal from Greater Frogtown Community Development Corporation (GF CDC) to purchase and redevelop the HRA-owned property located at 670 Thomas Avenue in Frogtown Planning District 7; and

**WHEREAS**, upon receipt of the aforementioned proposal, the HRA published notice via the Early Notification System, in accordance with the HRA policy described by Resolution 09-09/23-1, and this notice resulted in no inquiries or counter-proposals; and

**WHEREAS**, said proposal, pursuant to due notice thereof, was published in the Saint Paul Pioneer Press on Saturday 15 June, 2013, and a public hearing on said proposal and proposed sale and provisions thereof, was held on Wednesday 26 June, 2013 at 2:00 p.m., Central Standard Time, third floor City Hall, 15 West Kellogg Boulevard, in the City of Saint Paul, Minnesota; and

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

1. That Greater Frogtown Community Development Corporation (GF CDC), a Minnesota non-profit corporation, will proceed to finalize all specifications for new construction, complete the bidding requirements for contract work meeting all the compliance requirements, and comply with all other NSP and City/HRA requirements as they move forward with the purchase of the parcel located within an ISP/NSP activity area, which conforms to the objectives and specific requirements of the Neighborhood Stabilization Program under the Invest Saint Paul Initiative and meets an intended reuse as identified in the City Wide Comprehensive Plan and Consolidated Plan, legally described as:

**Parcel 670 Thomas Avenue** Lot 13, Chute Brother Addition Number 3, according to the recorded plat thereof, and situate in Ramsey County, Minnesota.

further identified as the "Parcel".

2. That the method of disposition of said Parcel is in accordance with the Neighborhood Stabilization Program and Rebuilding Plan 2009-2013 under the Invest Saint Paul Initiative, City Wide Redevelopment Plan and Consolidated Plan and is an appropriate method of making said Parcel available for redevelopment.
3. That the sum of Fifty-Eight Thousand Eight Hundred Forty-Eight Dollars (\$58,848) for the Parcel represents the purchase price and is satisfactory in accordance with Sec. 469.032 and the Neighborhood Stabilization Program requirements and use and restrictions are in conformance with the City Wide Redevelopment Plan and Consolidated Plan.
4. That HRA hereby authorizes \$58,848 of NSP1 funds be provided to GF CDC in the form of a forgivable loan, which will be secured with a Mortgage and Note against the Parcel according to the terms and conditions outlined in the HRA Board Report accompanying this Resolution, for the redevelopment of the Parcel, to provide affordable housing at or below 80% of the area median income and hereby conform to the objectives and specific requirements of the Neighborhood Stabilization Program and meet the intended reuse of the Parcel under the Program.
5. That GF CDC has the apparent qualifications and financial resources to acquire said Parcel in accordance with the Neighborhood Stabilization Program and Rebuilding Plan 2009-2013 under the Invest Saint Paul Initiative.
6. That the proposed disposal transaction by and between HRA and GF CDC is satisfactory in form and complies with the requirements of state and federal law for all Parcels.
7. That the execution and delivery of a Development, Loan and Grant Agreement between GF CDC. and HRA for the Parcel is hereby authorized by the Board of Commissioners to be executed on its behalf by the Chairperson or his/her designated Commissioner, the Executive Director of the HRA or Acting Executive Director, and the Director, Office of Financial Services of the City of Saint Paul.
8. That the execution and delivery of Deed of Conveyance of Parcel is in accordance with said Development Agreement and will include occupancy and use of the properties only as a single family home for resale to a qualified home buyer for ownership in accordance with NSP/ISP regulations and within the deed restriction, and is hereby authorized by the Board of Commissioners, to be executed on its behalf by the Chairperson or his or her designated Commissioner of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota.
9. That upon satisfactory completion of the improvements, and other obligations, in accordance with the terms of said Development Agreement, the execution and delivery of the Certificate of Completion to

GF CDC is hereby authorized by the Board of Commissioners to be executed on its behalf by the Chairperson or his/her designated Commissioner, subject to all the remaining conditions and restrictions required with the use of NSP funds.

10. That the Executive Director of the HRA is hereby authorized to negotiate and agree to any amendments, deletions or revisions to the Development Agreement which do not substantially change the rights or obligations of the HRA or GF CDC under the Development Agreement, and further continue to comply with all NSP requirements; and is hereby authorized to take such further action necessary to implement this Resolution.