



## Legislation Text

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**File #:** RES PH 15-48, **Version:** 1

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Resolution Approving and Authorizing the Sale and Conveyance of Twenty-Seven Properties under the Inspiring Communities Program; Authorization to Waive the Maximum Per-Unit Subsidy for Seven Properties; Authorization to Enter into Development Agreements; and Authorization of Expenditures for Redevelopment under the Saint Paul Housing and Redevelopment Authority's Inspiring Communities Program.

**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 Minn Stat Section 469.002, Subd. 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 ("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"), which included a maximum gross subsidy cap per unit of \$150,000 ("Cap"); and

**WHEREAS**, HRA staff released an RFP to solicit proposals for redevelopment of HRA owned real property in accordance with Inspiring Communities criteria, and analyzed proposals received, and based on that work staff is hereby making recommendations for award of twenty seven properties ("Properties") as set forth in Attachment A ("Recommendations") which includes the description of the real property, the identity of the purchaser/developer, gap amount and the purchase price; and

**WHEREAS**, seven properties recommended for funding require a gross subsidy in excess of \$150,000 and staff recommends waiving the Cap in these instances as these are new construction projects and costs associated with these projects are reasonable and represent current single-family market conditions; and

**WHEREAS**, the Recommendations were considered by the HRA Board pursuant to due notice thereof that was published in the Saint Paul Pioneer Press on January 31, 2015 and after a public hearing that was held on Wednesday, February 11, 2015 at 2:00 pm, central daylight 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 Properties.

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

1. The HRA Board hereby approves the Recommendations and authorizes the sale and conveyance of the Properties to the purchasers/developers on the terms and conditions described in the staff report and Recommendations.
2. The HRA Board approves the execution of development agreements with the purchasers/developers consistent with the approvals contained in this Resolution and Program requirements and which will contain applicable compliance requirements. The Executive Director is authorized to negotiate development agreements that are consistent with the intent of this Resolution and are approved by the City Attorney Office.
3. That subsidy expenditures from the Plan budget in the amount of \$2,900,228 for the Properties are hereby approved and authorized.
4. The HRA Board approves the waiver of the Cap on new construction projects at 426 Minnehaha Avenue E., 430 Minnehaha Avenue E., 427 Mount Ida Street, 433 Mount Ida Street, 437 Mount Ida Street, 1082 Galtier Street and 113 Winnipeg Street.
5. 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 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 to the purchasers/developers.