



Legislation Text

File #: RES 22-1072, **Version:** 1

Resolution approving key terms of the Inspiring Communities Homeownership Program Manual and Inspiring Communities RFP Scoring Criteria; approving and authorizing the Housing and Redevelopment Authority to participate in the Minnesota Housing Finance Agency Community Homeownership Impact Fund and to accept funding and establish a budget of \$1,067,400 for redevelopment; rescinding Resolution 16-1190; approving and authorizing amendment of the Housing Trust Fund budget to include an additional \$2,000,000 for the Inspiring Communities program, Citywide

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.; and

WHEREAS, the HRA has the power to engage in development or redevelopment activities under Minnesota Law; 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 development, and (e) improving the tax base and the financial stability of the community, 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 Minnesota Statutes section 469.002, subd. 14; 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 it later amended in part on July 13, 2016, by Resolution 16-1190; and

WHEREAS, the Saint Paul City Council, through Resolution 18-1204, called for significant new funding for an affordable Housing Trust Fund to assist in the creation of additional units of affordable housing and to renovate and preserve naturally occurring affordable housing; and

WHEREAS, the Saint Paul City Council, through Resolution 18-2080, adopted the 2019 final HRA budget; and

WHEREAS, in 2019, \$10 million was allocated over a period of three years and \$2 million was allocated annually for the Housing Trust Fund to create new affordable housing, preserve existing affordable housing, and protect the quality of affordable housing in Saint Paul; and

WHEREAS, in July 2021, the HRA applied to the Minnesota Housing Finance Agency's Community Homeownership Impact Fund program (MHFA Impact Fund) for \$1,622,200 and to the Metropolitan Council's Local Housing Incentives Account (LHIA) for \$194,000 to help finance the creation of affordable homes for low - and moderate-income homebuyers; and

WHEREAS, MHFA, in response to the HRA's application, notified staff of an Impact Fund award of \$1,067,400 on February 3, 2022, and provided funding agreements to staff on March 9, 2022, and the Metropolitan

Council declined to fund the HRA's LHIA application; and

WHEREAS, Staff recommends approval to replace certain key terms of the Inspiring Communities Homeownership Program Manual currently in effect with the key terms listed in the accompanying Board Report to better facilitate administration of the Program, respond to market conditions and funders' conditions, and to make homes built through the Inspiring Communities Program affordable to a range of buyers below 80% of area median income for the Twin Cities (AMI); to rescind Resolution 16-1190; to amend the Housing Trust Fund budget to include an additional \$2,000,000 for the Inspiring Communities program; and to participate in the MHFA Impact Fund Program and accept an award of funds thereunder;

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 HRA Board hereby approves the key terms of implementation of the Inspiring Communities Program as set forth in the attached Board Report, including key terms of the Inspiring Communities Homeownership Program Manual and RFP Scoring Criteria;
2. Resolution 16-1190 is hereby rescinded;
3. The project budgets are hereby established for the MHFA Impact Fund grants and amended for the Housing Trust Fund as detailed in the attached Financial Analysis;
4. The HRA authorizes and directs the HRA Executive Director and staff to take all actions necessary to implement this resolution, and the proper officials of the HRA are authorized to execute grant agreements, loan agreements and other required documents on behalf of the HRA to effectuate the actions in this resolution, provided that such agreement and documents are acceptable in form and substance to the Saint Paul City Attorney.