



Legislation Text

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Approving the November 13, 2019 HRA Board meeting minutes **ROLL CALL**

Present 7 - Commissioners Brendmoen, Busuri, Jalali Nelson, Noecker, Prince, Thao and Chair Tolbert

FOR DISCUSSION

1. Reservation of year 2020 Low Income Housing Tax Credits for the North West University Dale housing development, District 7, Ward 1; and The Parkway Apartments housing development, District 4, Ward 7

Kristin Guild, Interim Executive Director, stated that each year, the HRA Board reviews recommendations for Low Income Housing Tax Credit investments in affordable housing, following the criteria established in our Qualified Allocation Plan. The board reviewed and amended the Qualified Allocation Plan for the 2020 allocation on April 24. There are \$901,241 of 2020 Credits available to qualified Saint Paul developments and we received three applications.

Kayla Schuchman, Housing Director, gave a brief presentation on the LIHTC allocation recommendation to reserve \$790,005 of 2020 Low Income Housing Tax Credits for North West University Dale, reallocate \$100,000 of 2019 Low Income Housing Tax Credits to North West University Dale, and reserve up to \$111,236 of the 2020 Low Income Housing Tax Credits to The Parkway Apartments.

Commissioner Prince acknowledged Joe Collins for his work on LIHTC and housing projects.

Moved by Commissioner Thao, Resolution Adopted and set forth in RES 19-1969

VOTE: Yeas - 7 Nays - 0

2. Resolution approving the guidelines and funding for the Downpayment Assistance Program

Ms. Guild stated that as part of the Housing Trust Fund, staff are proposing a commitment of \$1.5 million for a new Downpayment Assistance program. The program will provide assistance to lower-income Saint Paul residents, and a more significant subsidy, than existing partner programs, deepening the impact for wealth building through homeownership.

Nick Boettcher, Housing Sr. Project Manager, gave a brief presentation on the proposed program guidelines and budget action.

Commissioner Prince requested more information on the proposed map vs the original map. Nick shared that the original map is what had been proposed to MHFA in the funding application. The proposed map is an expanded eligibility area and if funding is approved; PED will request the change from the original eligibility area to the proposed eligibility area.

Commissioner Noecker applauded the great work and shared her excitement to see this move forward.

Moved by Commissioner Noecker, Resolution Adopted and set forth in RES 19-1970

VOTE: Yeas - 7 Nays - 0

3. Resolution approving the Rent Supplement Pilot Program Guidelines; allocating funds to the Rent Supplement Pilot Program; and authorizing a Memorandum of Understanding, and such other agreements, necessary for the implementation of the Rent Supplement Pilot Program, Citywide

Ms. Guild stated that staff is proposing a commitment of \$3 million for a new 5-year Rent Supplement pilot program. The new program will increase the housing stability for up to 250 families with children enrolled in Saint Paul Public Schools by providing a \$300/month rent supplement to income-eligible families. This program will be administered in partnership with the Saint Paul Public Schools and the Saint Paul Public Housing Authority.

Kate Rodrigues, Housing Project Manager, gave a brief presentation on the proposed program guidelines, partner agreements, and budget action.

Commissioner Prince congratulated Kate on putting together this amazing effort. Commissioner Thao thanked Kate and Kayla for their work on this project. Commissioner Noecker echoed her colleagues' thanks. Commissioner Jalali Nelson expressed appreciation for the hard work on this.

Moved by Commissioner Brendmoen, Resolution Adopted and set forth in RES 19-1971

VOTE: Yeas - 7 Nays - 0

PUBLIC HEARINGS

4. Resolution approving and authorizing the execution of a purchase agreement with Spruce Tree Centre L.L.P. for the sale and conveyance of the Spruce Tree Parking Ramp and authorization to enter into a Parking Space License Agreement, District 13, Ward 4

Ms. Guild stated that in 1987, the HRA partnered with Metro Plains to construct the Spruce Tree Parking Ramp together with the Spruce Tree Centre office building. The HRA retained ownership of the ramp and executed a Parking Operations Agreement which requires the Operator to operate and maintain the Parking Ramp to serve the public and tenants in the Office Building. The Operating Agreement included certain rights for the Operator to purchase the parking ramp. The Operating Agreement was most recently amended in 2015 for a term of up to 14 years. The Second Amendment granted the Operator the right to purchase the parking ramp during the first five years of the Amendment - on or prior to December 31, 2019.

In July 2018, the HRA received written notification from the Operator that it was exercising its purchase option. The Second Amendment requires the HRA and Operator to use reasonable efforts to agree on a price for the parking ramp. To satisfy this contractual obligation HRA staff negotiated with the Operator the terms of a Purchase Agreement, including the purchase price of \$1,500,000 for the parking ramp and the execution of a License Agreement.

The License Agreement will enable the HRA to obtain rights to use 200 parking spaces in the parking ramp for certain events at Allianz Field, which is located across Snelling Avenue from the parking ramp. The terms of the License Agreement include access to undesignated parking spaces at discounted rates for up to 25 professional soccer matches, and up to ten other events plus the CONCACAF Gold Cup event, all of which occur in part at Allianz Field, for an initial term of ten years with two five-year extensions (total of 20 years).

Becky Landon, Saint Paul resident, thanked Metro Plains and the managers of the Spruce Tree ramp for allowing her church members to park in the ramp on Sunday mornings and during events. She is

urging the HRA to maintain and make official that the church members can continue to park at the ramp for free long term.

Mike Koch, Spruce Tree Building Manager, assured the HRA that the ramp will continue to support the arrangement of allowing the neighboring church members to park in the ramp on Sunday mornings.

Joanne Nickels, Bethlehem Lutheran Church, thanked the speakers before her and shared that Spruce Tree has been wonderful to work with.

Steve Nuessle, Assistant Pastor Central Baptist Church, reiterated the importance of having the Sunday morning parking in the ramp.

Commissioner Noecker asked if the \$1,500,000 purchase price will be going into the parking fund and if that amount was anticipated in the 2020 budget process. Ms. Guild stated that those dollars were not incorporated in the budget and the \$1,500,000 will be going into the HRA Parking Fund.

Commissioner Prince asked for clarification on the 4B of the agreement that Mr. Koch mentioned. Adam Niblick, City Attorney, stated that provision is incorporated in the license agreement which is part and parcel of the purchase agreement.

Moved by Commissioner Jalali Nelson, Resolution Adopted and set forth in RES PH 19-383

VOTE: Yeas - 7 Nays - 0

5. Authorization to acquire tax-forfeited parcels located at 614 California Avenue East and 896 Cottage Avenue East and convey to Dayton's Bluff Neighborhood Housing Services for new construction and authorization to acquire tax-forfeited parcel located at 282 Wyoming Street and convey to Change, Inc., for rehabilitation of current structure for affordable housing consistent with Ramsey County HRA Resolution B2017-274 and the City St. Paul HRA Resolution 14-867, Districts 5 and 3, Wards 6 and 2

Ms. Guild stated that staff proposes to facilitate a pass-through sale of three tax forfeit properties for affordable housing development. 614 California Avenue E and 896 Cottage Avenue E will be sold to Dayton's Bluff Neighborhood Housing Services for new construction, and 282 Wyoming Street is proposed to pass through sell to Change, Inc to rehab an existing house at that location. Change, Inc was formerly known as Guadalupe Alternative Programs.

The properties will be sold at a discount of 25% of the market value plus county holding costs and redeveloped for affordable ownership housing. Per the terms of the County resolution authorizing a discounted sale, the level of affordability will be 80% AMI and the homes be retained at that rate of affordability for at least seven years.

This action is strictly a pass-through sale transaction, with no City or HRA financing. Both Dayton's Bluff Neighborhood Housing Services and Change, Inc. will acquire and redevelop the properties using other resources.

Moved by Commissioner Noecker, Resolution Adopted and set forth in RES PH 19-384

VOTE: Yeas - 7 Nays - 0

ADJOURNMENT

Moved by Commissioner Noecker, the HRA Board Meeting is Adjourned

VOTE: Yeas - 7 Nays - 0

