



Legislation Text

File #: RES PH 13-145, **Version:** 1

Resolution Approving the Sale of Land and Conveyance of Parcel 393 Hatch Avenue under the ISP/NSP Program, North End, District 6, Ward 5.

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 (Plan) providing for the acquisition, clearance and resale of land for redevelopment which includes the North End District 6 area within the Plan and the City Consolidated Five-Year Plan; and

WHEREAS, on November 19, 2008 the City Council approved by Resolution 08-1270 the NSP plan and its submission to HUD for \$4.3 million in funding and on January 28, 2009 the City received a letter from HUD approving the NSP Plan and funding; and

WHEREAS, on January 28, 2009, the City Council approved by Resolution 09-103 the NSP plan and its submission to Minnesota Housing for \$6.3 million in funding and it was approved February 23, 2009; and

WHEREAS, on February 25, 2009 the HRA approved the Neighborhood Stabilization Program and Rebuilding Plan 2009-2013 under Invest Saint Paul Initiative and approved a budget amendment to carry out Programs/Plans which included the acquisition of properties in designated ISP/NSP areas; and

WHEREAS, on March 24, 2010, by Resolution 10-3/24-3 the HRA accepted and approved the budget for NSP 2 funds (\$18.0 million) to continue to carry out activities under the NSP Rebuilding Plan 2009-2013; and

WHEREAS, on February 23, 2011, by Resolution 11-387 and on April 20, 2011, by Resolution 11-623 the City Council accepted and approved budget for NSP 3 funds (\$3.1 million) to continue to carry out activities under the NSP Rebuilding Plan 2009-2013; and

WHEREAS, the increased economic stress these neighborhoods are under due to high vacancy and foreclosures, creates an opportunity to secure strategic properties in accordance with the NSP Programs and the Strategic Acquisition Criteria that guides the selection of properties for acquisition and addresses the issues and concerns identified by the communities through an extensive neighborhood outreach effort undertaken through the Invest Saint Paul Initiative; and

WHEREAS, the property at 393 Hatch Avenue, St. Paul, MN (Parcel) was acquired under the NSP Program on November 12, 2011, the house had been vacant and the community wanted to ensure it remained owner-occupied; and

WHEREAS, HRA is offering NSP/ISP houses through a fair and open marketing process which complies with the Department of Housing and Urban Development's Fair Housing Advertising policy (Part 109) and fair marketing practices; and

WHEREAS, Sean Michel wishes to purchase the Parcel which had been totally rehabilitated by HRA and available for purchase under the NSP Program; and

WHEREAS, said proposal, pursuant to due notice thereof was published in the Saint Paul Pioneer Press on

June 15, 2013, and a public hearing on said proposal and proposed sale and provisions thereof, was held on Wednesday, June 26, 2013 at 2:00 p.m., Central Daylight Time, third floor City Hall, 15 West Kellogg Boulevard, in the City of Saint Paul, Minnesota; and

WHEREAS, the HRA, pursuant to the provisions of Minnesota Statutes, Section 469.029 and 469.032 agrees to sell the Parcel for use in accordance with the Neighborhood Stabilization Program and Rebuilding Plan which meets the activities identified in the City Wide Redevelopment Plan and City Consolidated Plan; and

WHEREAS, the HRA and Sean Michel entered into a Purchase Agreement for the sale and conveyance of the Parcel on May 16, 2013 (Purchase Agreement), a fully rehabilitated single family home in accordance with approved Neighborhood Stabilization Program on file for use as his single family residence; and

WHEREAS, the disposal price of the Parcel is in accordance with and subject to the restrictions of the Neighborhood Stabilization Program, City Wide Redevelopment Plan and Consolidated Plan which takes into consideration the development/rehabilitation costs and the affordability costs of making this home available to a family at an income up to 120% of the area median income.

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

1. That the Purchase Agreement submitted by Sean Michel to purchase the Parcel located in District 6 North End and within Invest Saint Paul/NSP Activity area hereby conforms to the objectives and specific requirements of the Neighborhood Stabilization Program under the Invest Saint Paul Initiative and meets the intended reuse as identified in the City Wide Comprehensive Plan and Consolidated Plan. The Parcel is legally described as:

Parcel 1:

Lots 44 and 47, Block 1, Weide's Rearrangement of Lots 76,77,78,79 and 80, Wilkin and Hayward's Lots, Ramsey County, Minnesota.

Parcel 2:

Lots 45 and 46, Block 1, Weide's Rearrangement of Lots 76,77,78,79 and 80, Wilkin and Hayward's Lots, Ramsey County, Minnesota.

2. That the method of disposition of the 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 the appropriate method of making the Parcel available for redevelopment.

3. That the sale of Parcel in the amount of \$131,333.00 is satisfactory and 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 Sean Michel has the qualifications and financial resources to acquire the Parcel in accordance with the Neighborhood Stabilization Program and Rebuilding Plan 2009-2013 under the Invest Saint Paul Initiative.

5. That the proposed disposal transaction by and between HRA and Sean Michel is satisfactory in form and complies with the requirements of state and federal law for the Parcel.

6. That NSP funds for Homebuyer Incentive Program to be used towards the acquisition of the Parcel in the amount of \$7,500 will be provided under the approved Neighborhood Stabilization Program and will be secured with a Mortgage and Note against the Parcel to insure the Parcel remains owner-occupied and meets the NSP affordability requirements under the Program.

7. That the Purchase Agreement is satisfactory and the same is hereby accepted, and the execution and delivery of the Deed of Conveyance to Sean Michel 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 of the HRA.

8. That financing assistance is satisfactory and meets the terms and conditions of the NSP funding requirements, and other obligations, and the execution and delivery of the said Mortgage documents and other required documents are hereby authorized by the Board of Commissioners of the HRA.

9. That the Executive Director of the HRA is hereby authorized to negotiate, agree to any amendments/changes, deletions or revisions of the Purchase Agreement to conclude the sale and conveyance of this Parcel which do not substantially change the rights or obligations of the HRA or Purchaser under the Purchase Agreement and together with HRA staff take such further action necessary to implement this Resolution. The Executive Director is further authorized to execute such other documents and instruments needed to close the sale of the Parcel.