



Legislation Details (With Text)

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Title: Resolution Authorizing and Approving 1) The Sale of HRA Parcels to Design Lab Properties, LLC for the Purchase Price of \$10,400; 2) Approval of a Development Agreement with Design Lab Properties, LLC; and 3) Authorizing the Executive Director to Finalize the Land Sale Documents for Execution by the Appropriate HRA Officers in Connection with the 1192 East 7th Street Project, District 4, Ward 6

Sponsors: Dan Bostrom

Indexes:

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Attachments: 1. Board Report, 2. Attachment B - Project Summary, 3. Attachment C - Map, 4. Attachment D - Sources & Uses, 5. Attachment E - Public Purpose, 6. Attachment F - District 4 Profile

Date	Ver.	Action By	Action	Result
3/9/2016	1	Housing & Redevelopment Authority	Adopted	Pass

Resolution Authorizing and Approving 1) The Sale of HRA Parcels to Design Lab Properties, LLC for the Purchase Price of \$10,400; 2) Approval of a Development Agreement with Design Lab Properties, LLC; and 3) Authorizing the Executive Director to Finalize the Land Sale Documents for Execution by the Appropriate HRA Officers in Connection with the 1192 East 7th Street Project, District 4, Ward 6

WHEREAS, the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (“HRA”) has duly adopted and there is now in effect a City-Wide Comprehensive Plan/Redevelopment Plan for the acquisition, rehabilitation and resale of properties; and

WHEREAS, the HRA through the use of its statutory powers, seeks to address the problems created by deteriorated and blighting buildings, inappropriate land use and vacant/under utilized land in its neighborhoods within the City of Saint Paul; and

WHEREAS, the HRA has the power to engage in development or redevelopment activities under Chapter 469 of the Minnesota Statutes, Housing and Redevelopment Act (“Act”) and by authority of said Act engages in activities relating to: 1) housing projects and development; 2) removal of prevention of the spread of conditions of blight or deteriorations; 3) bringing substandard buildings and improvements into compliance with public standards; 4) disposition of land for private development; and 5) improving the tax base and the financial stability of the community; and engages in the aforementioned activities when redevelopment or development needs cannot be met through reliance solely upon private initiative, and may engage in said activities in targeted neighborhoods; and

WHEREAS, the HRA purchased 1192 East 7th Street using the ISP Parking Program Improvement and Implementation Fund (Fund 118) on July 15, 2008 for \$45,000 from DLJ Mortgage Capital; and

WHEREAS, Design Lab Properties, LLC, a Minnesota limited liability company, whose members are Charles Hana & Sharon Werner (the “Developer”), submitted a proposal to the HRA to construct of an office building (the “Project”) situated upon certain real estate owned by the HRA, located at the 1192 East 7th Street in Saint Paul and legally described as follows: Lot 10, Block 3; Messerli and Echbach’s Addition, Ramsey

County, Minnesota, according to the recorded plat thereof, Ramsey County, Minnesota (the "Property"); and

WHEREAS, the HRA, on May 13, 2015, designated the Developer with the status as a "Tentative Developer" for the Project pursuant to HRA Resolution #15-840; and

WHEREAS, in order to proceed with the Project, the Developer wishes to purchase the Property from the HRA for the amount of \$10,400.00; and

WHEREAS, HRA and the Developer propose to enter into a development agreement together with documents related thereto (collectively the "Development Documents"), that will provide, among other things, the terms and conditions by which the HRA will sell and convey such sale of the Property to the Developer; and

WHEREAS, the notice of the HRA's proposal to sell the Property to the Developer was published in the Saint Paul Pioneer Press on February 27, 2016, and a public hearing on said proposed sale and provisions thereof, was held on Wednesday, March 9, 2016 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 Board of Commissioners of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, that based upon the presentation of staff, the testimony, if any, proffered at the public hearing and the Report to Commissioners that accompanied this Resolution, that:

1. The Board hereby approves the execution of the Development Documents with the Developer consistent with the terms and conditions set forth in this Resolution and staff report, and such other terms and conditions more fully described in said Development Documents, and the HRA Chair/Commissioner, HRA Executive Director and Director, Office of Financial Services are hereby authorized and directed to execute said Development Documents on behalf of the HRA. The Executive Director of the HRA is hereby authorized to negotiate and agree to any terms, conditions, amendments, deletions or revisions to said Development Documents which do not materially or adversely change the rights or obligations of the HRA as described herein and provided that such amendments are acceptable in form and substance to the Saint Paul City Attorney.
2. The Board hereby approves the HRA's conveyance of the Property to the Developer consistent with the terms and conditions set forth in this Resolution and such other terms and conditions more fully described in the above-described Development Documents, and further authorizes and directs the HRA Chair/Commissioner to execute the deed of conveyance related thereto.
3. The HRA Executive Director and staff are authorized and directed to take all necessary actions to implement this Resolution and the Executive Director is authorized to execute any additional documents and instruments in connection with this Resolution.