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Title: Authorization to Designate SR Development II, LLC, as Tentative Developer of 844, 848 and 856 Payne Avenue and 0 Wadena Street, Saint Paul, Mn, District 5, Ward 6

Sponsors: Dan Bostrom

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Attachments: 1. Board Report, 2. Project Summary, 3. Map, 4. Site Plans, 5. Sources & Uses Summary, 6. Public Purpose, 7. District 5 Profile

Date	Ver.	Action By	Action	Result
4/26/2017	1	Housing & Redevelopment Authority	Adopted	Pass

Authorization to Designate SR Development II, LLC, as Tentative Developer of 844, 848 and 856 Payne Avenue and 0 Wadena Street, Saint Paul, Mn, District 5, Ward 6

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, HRA owns land located at 844, 848 and 856 Payne Avenue and 0 Wadena Street (29.29.22.42.0246, 29.29.22.42.0246-0247 and 29.29.22.42.0246-0349 (the "Property"); and

WHEREAS, the Property was listed with a brokerage firm on February 1, 2015 in compliance with the HRA's disposition policy; and

WHEREAS, on February 13, 2017, the HRA staff has received two applications to purchase the Property; and

WHEREAS, after reviewing the two proposals, HRA staff is recommending to accept the proposal of SR Development II, LLC ("SR") to construct a mixed-use development on the Property (the "Project"); and

WHEREAS, of the two proposals received, the Project proposed by SR best accomplishes the objectives and goals of the HRA Land Disposition Policy and best complies with the strategies set forth in the Citywide Comprehensive Plan/Redevelopment Plan now legally in effect in the City of Saint Paul, including particularly those related to preserving and promoting established neighborhoods, ensuring the availability of affordable housing and increase commercial space and jobs; and

WHEREAS, the HRA is empowered by law, including Minnesota Statutes chapter 469, to adopt and enforce this Resolution in pursuit of its mandate to engage in appropriate housing and development projects; to remove or prevent the spread of conditions of blight or deterioration; to bring substandard buildings and improvements into compliance with public standards; to dispose of land for private development; and to improve the tax base and the financial stability of the community,

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing and

Redevelopment Authority of the City of Saint Paul, Minnesota, that SR Development II, LLC, is designated as Tentative Developer for the Property until December 31, 2018 on the terms and conditions set forth in this Resolution.

BE IT FURTHER RESOLVED that the Tentative Developer shall complete the following tasks, at its expense, before December 31, 2018:

1. Complete and obtain HRA approval for a formal scope of work with architectural/engineering plans and specifications, which shall be suitable for submission to the Department of Safety and Inspections to obtain the proper building permits, shall incorporate Green/Sustainable Development guidelines, and shall include a site plan, elevations, exterior treatments/materials, and interior schematics.
2. Submit evidence of availability of construction financing for review by HRA staff for acceptability.
3. Finalize a detailed development budget and business plan for approval by HRA staff.
4. Receive all approvals for zoning, licenses and any other required City or State approval for the Project.
5. Negotiate final terms and conditions of a development agreement, which will include all compliance requirements, details of the bidding process, and a sworn construction cost statement from the selected contractor for the Project.

BE IT FURTHER RESOLVED that the terms and conditions of a development agreement between the HRA and the Tentative Developer shall include the following terms and restrictions:

1. All pre-development costs are the sole responsibility of the Tentative Developer.
2. The Tentative Developer must work with affected community groups.
3. The Property will be sold "as is."

BE IT FURTHER RESOLVED that if the Tentative Developer does not timely complete the specified tasks or otherwise abide by the terms of this Resolution, its Tentative Developer Status shall terminate without further action by this Board upon notification of termination by the HRA Executive Director or the Executive Director may grant an extension of the Tentative Developer status for a period not exceeding six months upon a showing of significant progress of the tasks defined above by the Tentative Developer.