



## Legislation Details (With Text)

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**Title:** Resolution Approving a Budget Amendment and a First Amendment to Funding Agreement with City of Saint Paul Regarding the Snelling Midway Redevelopment Site; District 13, Ward 1

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Date	Ver.	Action By	Action	Result
11/15/2017	1	Housing & Redevelopment Authority	Adopted	Pass

Resolution Approving a Budget Amendment and a First Amendment to Funding Agreement with City of Saint Paul Regarding the Snelling Midway Redevelopment Site; District 13, Ward 1

**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**, the HRA has the power to engage in development or redevelopment activities under Minnesota law and the HRA 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 redevelopment, and (e) improving the tax base and the financial stability of the community, and to engage in the aforementioned activities 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 Minn Stat Section 469.002, Subd. 14; and

**WHEREAS**, the City of Saint Paul ("City") City Council on August 26, 2015 adopted Resolution No. 15-1539 ("City Resolution") supporting the development of a soccer stadium ("Stadium") at the site located at 400 N. Snelling Avenue, Saint Paul, Minnesota ("Property") by MUSC Holdings LLC ("Team"); and

**WHEREAS**, the Property is part of a larger Snelling Midway block consisting of approximately 34.5 acres located in Saint Paul, Minnesota and bounded by Snelling Avenue, University Avenue, Pascal Avenue and St. Anthony ("Midway Development Site"); and

**WHEREAS**, the HRA Board of Commissioners on March 2, 2016 adopted RES 16-376 that authorized a Stadium project budget in the HRA Development Capital Project Budget ("Original HRA Budget") for the public infrastructure and remediation costs only and no funding for the Stadium itself (which will be funded entirely by the Team); and further approved a funding agreement with the City ("Funding Agreement"); and

**WHEREAS**, the Original HRA Budget consisted of \$221,386.00 of existing Snelling University TIF and a new budget of \$18,088,614.00 from eligible tax increment financing districts and parking funds; and

**WHEREAS**, the City Council on March 2, 2016 adopted RES PH 16-64 that authorized and approved the execution of a development agreement with the Team for the Stadium and its public infrastructure as well as the Funding Agreement with the HRA; and

**WHEREAS**, the City and Team entered into a Development Agreement dated April 1, 2016 for the development of the Stadium ("Development Agreement"); and

**WHEREAS**, the HRA has funded certain expenditures to date, and the HRA Board of Commissioners needs to approve the transfer of the HRA Budget to the City; and

**WHEREAS**, the City adopted RES PH 17-267 which among other things established a budget for the Stadium contingent on action by the HRA; and

**WHEREAS**, as part of the Development Agreement the City has agreed to contribute the sum of \$16,100,000 to defray the costs of public infrastructure, of which \$3,068,382 has been budgeted for stormwater facilities ("Facilities"); and

**WHEREAS**, the City and Team desire to have the Facilities expanded so that it provides a more comprehensive storm and irrigation system for the entire Midway Development Site ("Expanded Facilities"), and to construct roads and a 35' wide pedestrian walkway to provide access north of Shields Avenue for the park and Midway Development Site ("Improvements"), and

**WHEREAS**, City and HRA staff has negotiated the terms of a Memorandum of Agreement with the Team ("MOA") on behalf of the City with respect to the design, construction, funding, and maintenance of the Expanded Facilities and Improvements and such terms will be presented to the City Council for its consideration and approval; and

**WHEREAS**, under the terms of the MOA the City will contribute \$2,307,000 to the costs of the Expanded Facilities (bringing the total City contribution for the storm water facilities to \$5,375,382) and \$250,000 for the Improvements; and

**WHEREAS**, the Snelling Midway master plan calls for development of a park north of Shields Avenue ("Park") and the City is required to provide \$250,000 toward the cost of sidewalks, lighting, trees, and a portion of green space per a separate parkland agreement ("Parkland Improvements"); and

**WHEREAS**, the HRA and City have determined the need to fund additional soft costs for professional services related to the Improvements in the amount of \$400,000 ("Soft Costs"); and

**WHEREAS**, the HRA and City have determined the need to fund \$100,000 of the remediation costs addressed in the Funding Agreement ("Remediation"); and

**WHEREAS**, per the Alternative Urban Areawide Review ("AUAR"), the traffic signal at Snelling and Spruce Tree must be relocated and the Snelling median extended and the City will fund the estimated costs of \$750,000 and construct the improvements ("Snelling Improvements"); and

**WHEREAS**, HRA staff has further prepared a HRA budget amendment to provide the City with additional sources of funds, in addition to City sources that consists of a Capitol Region Watershed District grant and City financing, to satisfy the City's commitment to provide funds for the Expanded Facilities and Improvements, and the City's commitment to provide funds for the Parkland's Improvements and to fund the Soft Costs, Remediation and Snelling Improvements and to transfer these funds to the City ("HRA Budget Amendment") and an amendment to the Funding Agreement with the City ("First Amendment to Funding Agreement"); and

**WHEREAS**, the HRA Board of Commissioners determines there is a public purpose to take all the actions described in and approved in this Resolution since the design, construction, funding and operation of the Expanded Facilities and Improvements will: (i) provide for a comprehensive stormwater and irrigation system for the entire Midway Development Site that is expected to include a broad range of entertainment and commercial activities, (ii) provide for connections to the Midway Development Site that will further the vitality of Saint Paul's midway area by generating increased economic activity consistent with the Snelling Station Area Plan, (iii) further economic development and stimulate the local economy overall, and (iv) cause the property tax base to increase in the surrounding area; and

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

1. The HRA Board of Commissioners approves the HRA Budget Amendment as specified in the attached financial analysis.
2. The HRA Board of Commissioners approves the First Amendment to Funding Agreement with the City in a form substantially consistent with the form submitted with this Resolution.
3. The HRA Executive Director, staff and legal counsel for the HRA are directed and authorized to take all actions necessary to implement this Resolution.
4. The HRA's Executive Director is authorized to negotiate and execute any necessary documents and instruments in connection with this Resolution.