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Title: Resolution approving loan modifications associated with the Selby Commons and Wilkins Townhomes Projects and Assignment and Assumption of Loans by Selby Wilkins LLLP - District 8, Ward 1

Sponsors: Russel Balenger

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Attachments: 1. Board Report, 2. Map, 3. Public Purpose, 4. D8 Summit University Neighborhood Profile

Date	Ver.	Action By	Action	Result
11/9/2022	1	Housing & Redevelopment Authority	Adopted	Pass

Resolution approving loan modifications associated with the Selby Commons and Wilkins Townhomes Projects and Assignment and Assumption of Loans by Selby Wilkins LLLP - District 8, Ward 1

WHEREAS, the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota ("HRA") is a public body corporate and politic organized, existing, and operating under the laws of the State of Minnesota, Minn. Stat. Sec. 469.001, et seq. (the "Act"); and

WHEREAS, the HRA has the power to engage in development and redevelopment activities under the Act and is authorized to create redevelopment projects as defined in the Act, and said activities include but are not limited to: (a) providing adequate, safe and sanitary dwellings, remedying housing shortages for low and moderate income residents, and providing housing for persons of all incomes through housing projects and development, (b) removing and preventing blight or deterioration, (c) bringing substandard buildings and improvements into compliance with public standards, (d) performing duties according to the comprehensive plan, (e) disposing of land for private redevelopment, and (f) improving the tax base and the financial stability of the community; and

WHEREAS, the Twin Cities Housing Development Corporation ("TCHDC") owns 63 units of scattered site affordable rental housing made up of 40 units from the project currently known as Selby Commons and 23 units from the project currently known as Wilkins Townhomes; and

WHEREAS, TCHDC intends to sell 10 of the Selby Commons units (consisting of 6 separate properties) to a land trust(s) for affordable home ownership projects; and

WHEREAS, TCHDC intends to combine the remaining 30 Selby Commons units and all 23 of the Wilkins Townhomes units into one project called the Selby Wilkins Project and to renovate and refinance all 53 units (the "Project"); and

WHEREAS, TCHDC has been awarded an allocation of 9% Low Income Housing Tax Credits for the Project; and

WHEREAS, in 1991 and 1995 (and as amended), the City and HRA made a number of loans to the Selby Commons project and in 2020, a loan to the Wilkins Townhomes project, which loans included CDBG and non-

CDBG funds ("City and HRA Loans"); and

WHEREAS, as part of the Project, TCHDC is requesting that the City and HRA Loans be consolidated and refinanced with a new 30-year term and that the 10 units to be sold to a land trust(s) be released as collateral from the newly consolidated and refinanced Loans; and

WHEREAS, TCHDC has created a limited liability limited partnership named Selby Wilkins LLLP to own and operate the Project; and

WHEREAS, the City and HRA are willing to consolidate and refinance the City and HRA Loans, to allow release of the 10 units to be sold to a land bank , and to allow the newly consolidated and refinanced loans to be assigned to Selby Wilkins LLLP all on the condition that the a declaration be recorded against all of the property in the Project ensuring that the Project continues to be used for affordable rental housing for at least 30 years; now, therefore, be it

RESOLVED by the Board of Commissioners of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota:

1. that, conditioned upon similar approval from the City Council, the HRA hereby approves and authorizes the consolidation and refinancing the City and HRA Loans for a new 30-year term at an interest rate of 1% in conjunction with a declaration ensuring the continued use of the Project for affordable rental housing as detailed in the HRA Board Report.
2. that the HRA hereby approves the release from the newly consolidated and refinanced loans and any related mortgages the 10 Selby Commons units which are to be sold to a land bank.
3. that the HRA hereby approves and authorizes the assignment and assumption of the newly consolidated and refinanced loans to Selby Wilkins LLLP.
4. that the HRA hereby approves and authorizes entering into loan agreements and related documents consistent with applicable compliance requirements and terms herein.
5. that the HRA hereby approves and authorizes staff, under the direction of the Executive Director, to take all actions necessary to carry out the activities authorized by this Resolution, including finalizing all documents and agreements necessary to effectuate the activities to be undertaken by this Resolution, subject to approval by the City Attorney's Office.
6. that the only signature that shall be required on any and all documents in connection with this Resolution, subject to approval by the City Attorney's Office, is that of the Executive Director who is hereby approved and authorized to execute all said documents and instruments, which shall be sufficient to bind the HRA to any legal obligations therein.
7. that this Resolution does not constitute a binding legal agreement; rather, the action taken herein shall not be effective until said documents are executed by the appropriate official(s) of the HRA.