



Legislation Text

File #: RES 13-2007, **Version:** 1

Resolution Approving and Authorizing Resubordination of HRA Mortgage for Parkside Gardens Senior Housing Project located at 1145 Hudson Road, Saint Paul, Minnesota (aka Bridgecreek Senior Place Apartments), Extending Affordability Period, and Releasing Certain Parcels of Land from HRA Mortgage, District 4, Ward 7.

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, Bridgecreek Senior Place Limited Partnership (the "Partnership") is requesting a resubordination of a \$364,967 HRA deferred mortgage loan ("HRA Mortgage") given by the HRA in 2004 for a 160 unit affordable senior housing development located at 1145 Hudson Road, St. Paul, Minnesota ("Project") and for the HRA to consent to the refinancing of the senior debt for the Project for the reasons stated in the staff report accompanying this resolution (the "Subordination"); and

WHEREAS, the Partnership is also requesting that the HRA release two vacant parcels from the lien of the HRA Mortgage, which parcels are more fully described in the staff report ("Land Release"); and

WHEREAS, staff is recommending granting the Partnership its two requests provided that the affordability period as set forth in the HRA Mortgage and related documents including the Regulatory Agreement ("Affordability Period") is extended for an additional 18 years to match the term of the HRA Mortgage; and

WHEREAS, and by this resolution the HRA approves the Subordination and Land Release and finds a public purpose for these actions for the Project.

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

1. The HRA Board of Commissioners hereby approves the Subordination and Land Release for the Project contingent on the Partnership extending the Affordability Period to match the term of the HRA Mortgage.

2. The HRA Executive Director, staff and legal counsel for the HRA are directed and authorized to take all actions necessary to implement this Resolution. The HRA's Executive Director is authorized to negotiate the terms of and execute any agreements, documents and instruments in connection with this Resolution.

