



Legislation Text

File #: RES PH 14-65, **Version:** 1

Approval of the Sale and Conveyance of Parcel 886 Case Avenue under the Inspiring Communities Program, Payne-Phalen, District 5, Ward 6.

WHEREAS, the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (HRA), has duly adopted and there is now lawfully in effect in the City of Saint Paul, Minnesota, a City Wide Comprehensive/Redevelopment Plan (Plan) providing for the acquisition, clearance and resale of land for redevelopment which includes the Payne-Phalen District 5 area within the Plan and the City Consolidated Five-Year Plan; and

WHEREAS, on November 19, 2008 the City Council approved by Resolution 08-1270 the NSP plan and its submission to HUD for \$4.3 million in funding and on January 28, 2009 the City received a letter from HUD approving the NSP Plan and funding; and

WHEREAS, on January 28, 2009, the City Council approved by Resolution 09-103 the NSP plan and its submission to Minnesota Housing for \$6.3 million in funding and it was approved February 23, 2009; and

WHEREAS, on February 25, 2009 the HRA approved the Neighborhood Stabilization Program and Rebuilding Plan 2009-2013 under Invest Saint Paul Initiative and approved a budget amendment to carry out Programs/Plans which included the acquisition of properties in designated ISP/NSP areas; and

WHEREAS, on March 24, 2010, by Resolution 10-3/24-3 the HRA accepted and approved the budget for NSP 2 funds (\$18.0 million) to continue to carry out activities under the NSP Rebuilding Plan 2009-2013; and

WHEREAS, on February 23, 2011, by Resolution 11-387 and on April 20, 2011, by Resolution 11-623 the City Council accepted and approved budget for NSP 3 funds (\$3.1 million) to continue to carry out activities under the NSP Rebuilding Plan 2009-2013; and

WHEREAS, on July 24, 2013, by Resolution 13-1097 the HRA approved the HRA Land Disposition Strategy to address 240 HRA-owned parcels through development and redevelopment; and

WHEREAS, the increased economic stress these neighborhoods are under due to high vacancy and foreclosures demands a strategic investment strategy in accordance with the Inspiring Communities Program to addresses the issues and concerns identified by affected communities through neighborhood outreach efforts; and

WHEREAS, the property at 886 Case Avenue, St. Paul, MN (Parcel) was acquired under the NSP Program on August 31, 2010, the house had been vacant and the community wanted to ensure it remained owner-occupied; and

WHEREAS, HRA is offering Inspiring Communities homes through a fair and open marketing process which complies with the Department of Housing and Urban Development's Fair Housing Advertising policy (Part 109) and fair marketing practices; and

WHEREAS, Benjamin and Gina Hierlmeier wish to purchase the Parcel which had been totally rehabilitated by HRA and available for purchase under the Inspiring Communities Program; and

WHEREAS, said proposal, pursuant to due notice thereof was published in the Saint Paul Pioneer Press on March 1, 2014 and a public hearing on said proposal and proposed sale and provisions thereof, was held on Wednesday, March 12, 2014 at 2:00 p.m., Central Daylight Time, third floor City Hall, 15 West Kellogg Boulevard, in the City of Saint Paul, Minnesota; and

WHEREAS, the HRA, pursuant to the provisions of Minnesota Statutes, Section 469.029 and 469.032 agrees to sell the Parcel for use in accordance with the Inspiring Communities Program, which meets the activities identified in the City Wide Redevelopment Plan and City Consolidated Plan; and

WHEREAS, the HRA and Benjamin and Gina Hierlmeier entered into a Purchase Agreement for the sale and conveyance of the Parcel on February 26, 2014 (Purchase Agreement), a fully rehabilitated single family home in accordance with approved Inspiring Communities Program on file for use as their single family residence; and

WHEREAS, the disposal price of the Parcel is in accordance with and subject to the restrictions of the Inspiring Communities Program, Neighborhood Stabilization Program, City Wide Redevelopment Plan and Consolidated Plan which takes into consideration the development/rehabilitation costs and the affordability costs of making this home available to a family at an income up to 120% of the area median income.

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

1. That the Purchase Agreement submitted by Benjamin and Gina Hierlmeier to purchase the Parcel located in District 5 Payne-Phalen and within the Inspiring Communities Activity area hereby conforms to the objectives and specific requirements of the Inspiring Communities Program and meets the intended reuse as identified in the City Wide Comprehensive Plan and Consolidated Plan. The Parcel is legally described as:

Lots 16 and 17 of Roman's Rearrangement of the North ½ of Block 2, Nelson's Addition to Saint Paul, Ramsey County, Minnesota.

2. That the method of disposition of the Parcel is in accordance with the Inspiring Communities Program, City Wide Redevelopment Plan and Consolidated Plan and is the appropriate method of making the Parcel available for redevelopment.

3. That the sale of Parcel in the amount of \$165,000.00 is satisfactory and in accordance with Sec. 469.032 and the Inspiring Communities Program requirements and use and restrictions are in conformance with the City Wide Redevelopment Plan and Consolidated Plan.

4. That Benjamin and Gina Hierlmeier have the qualifications and financial resources to acquire the Parcel in accordance with the Inspiring Communities Program.

5. That the proposed disposal transaction by and between HRA and Benjamin and Gina Hierlmeier is satisfactory in form and complies with the requirements of state and federal law for the Parcel.

6. That funds for Homebuyer Incentive Program to be used towards the acquisition of the Parcel in the amount of \$5,000 will be provided under the approved Inspiring Communities Program and will be secured with a Mortgage and Note against the Parcel to insure the Parcel remains owner-occupied and meets the affordability requirements under the Program.

7. That the Purchase Agreement is satisfactory and the same is hereby accepted, and the execution and delivery of the Deed of Conveyance to Benjamin and Gina Hierlmeier for the Parcel is hereby authorized by

the Board of Commissioners to be executed on its behalf by the Chairperson or his/her designated Commissioner of the HRA.

8. That financing assistance is satisfactory and meets the terms and conditions of the funding requirements, and other obligations, and the execution and delivery of the said Mortgage documents and other required documents are hereby authorized by the Board of Commissioners of the HRA.

9. That the Executive Director of the HRA is hereby authorized to negotiate, agree to any amendments/changes, deletions or revisions of the Purchase Agreement to conclude the sale and conveyance of this Parcel which do not substantially change the rights or obligations of the HRA or Purchaser under the Purchase Agreement and together with HRA staff take such further action necessary to implement this Resolution. The Executive Director is further authorized to execute such other documents and instruments needed to close the sale of the Parcel.