



Legislation Text

File #: RES 15-868, **Version:** 1

Resolution Approving and Designating Rondo Community Land Trust and Community Housing Development Corporation as Tentative Developers for the HRA-Owned Parcels Known as 838, 840, and 940 Selby Avenue, District 8, 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, 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 financial stability of the community when these needs cannot be met through reliance solely upon private initiative and that can be undertaken in targeted neighborhoods; and

WHEREAS, the HRA is authorized to create redevelopment projects as defined in Minn Stat Section 469.002, Subd. 14; and

WHEREAS, Rondo Community Land Trust and Community Housing Development Corporation (collectively the "Developers") submitted a proposal to the HRA to redevelop the HRA-owned site known as 838, 840, and 940 Selby Avenue in Saint Paul ("Development Site"); and

WHEREAS, as described in the staff report accompanying this Resolution, HRA staff provided a forty five (45) day ENS notice and posted a Notification of Proposal ("Notification"); and

WHEREAS, no responses were received in response to the Notification and

WHEREAS, after reviewing the Developers' proposal and interviewing the Developers, HRA staff is recommending that the Developers be granted tentative developer status for the Development Site because the Developers' proposal to create affordable housing for seniors, street level commercial and retail space, and streetscape enhancements on the Development Site ("Project") best accomplishes the stated HRA goals and objectives for the Development Site, and the Developers have the demonstrated experience and qualifications necessary to successfully redevelop the Development Site; and

WHEREAS, this Board finds the Project serves a public purpose by 1) meeting the City's goal of production of housing and commercial and retail space; 2) creating public green space; 3) providing additional vitality and energy to Selby Avenue; 4) providing needed goods and services for current and future residents, job workers and visitors; 5) redeveloping vacant parcels of land; and 6) enhancing the tax base capacity for the City; and

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 and designates the Developers as tentative developer for the Development Site for a period of eighteen (18) months from the date of approval of this Resolution subject to the terms and conditions of this Resolution.

The designation of “tentative developer” means that the HRA has tentatively approved of the Developers and the Project, and that the HRA will not contract with any other person or entity for the sale and development of the Development Site while the tentative developer diligently pursues the completion of all the tasks and conditions listed below in this Resolution. The HRA does reserve the right in its discretion to approve or not approve a final design of the Project, and decide whether to sell and convey the Development Site to the Developers.

2. Within ten (10) days of the passage of this Resolution, the Developers must execute and deliver to HRA staff the 1st compliance acknowledgement letter and the non-refundable fee of \$5,000 for HRA and City staff time. The Developers will also submit to HRA staff such expense deposit as may be reasonably requested from time-to-time for outside consultants to evaluate the Project. The Developers will be given prior notice of HRA staff’s intent to retain outside consultants and the opportunity to comment on the scope and cost of such consultant’s work.

During this eighteen (18) month period, the Developers must complete at its own cost certain activities with respect to the Development Site. A list of benchmark activities, and the dates such activities will be completed by Developers during this eighteen (18) month period, include the following:

Prior to December 31, 2015 the Developers shall:

- Submit FHLB pre-application.
- Submit MHFA LIHTC application.
- Submit CSP LIHTC application.

Prior to June 30, 2016 the Developers shall:

- Complete construction drawings.
- Secure rezoning.
- Put plans out for bid.

Prior to December 31, 2016 the Developers shall:

- Close on financing.
- Start construction.
- Market project.

3. If the Developers do not timely and fully complete the tasks specified in paragraph 2 above, the tentative developer status shall either be extended for a reasonable period of time or terminated at the discretion of and by the HRA Executive Director without further action of this Board. An extension can be granted upon a showing that the Developers have made significant progress towards the accomplishment of the tasks described in this Resolution and that the Developers are diligently pursuing the completion of such tasks. Upon a termination, neither the HRA nor Developers have any further rights or obligations under this Resolution.
4. A development agreement must be submitted to and approved by this Board, but nothing in this Resolution, or the actions taken by Developers in connection with the Project, shall be construed to require this Board to approve a development agreement.
5. The HRA staff are directed to pursue the title registration and platting of the Development Site during this period of time, any required rezoning, and to provide Developers with

information, documents and other assistance that may be reasonably requested from Developers.

6. The HRA will provide prompt feedback to Developers on the relative economic, programmatic and design suitability of the Project as requested from time-to-time.

The HRA Executive Director, staff and legal counsel for the HRA are further directed and authorized to take all actions necessary to implement this Resolution.