



## Legislation Text

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**File #:** RES 16-548, **Version:** 1

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Resolution Approving the Establishment of the Ford Site Redevelopment Project Area and the Ford Site Redevelopment Tax Increment Financing District, Approving a Redevelopment Plan and Tax Increment Financing Plan therefor and Approving an HRA Budget Amendment, District 15, Ward 3

WHEREAS, there has been submitted to and considered at this meeting of the Board of Commissioners of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota ("HRA") a Redevelopment Plan (the "Redevelopment Plan") for the Ford Site Redevelopment Project Area (the "Project Area"); and

WHEREAS, the proposed Redevelopment Plan identifies conditions existing in the proposed Project Area, contains an identification of need and a statement of purpose and objectives, land uses and standards for development for carrying out a redevelopment project, and lists the redevelopment activities and techniques to be employed in carrying out these objectives, including provision for the elimination of conditions of blight and deterioration existing in identified neighborhood areas by private development and construction or rehabilitation of real property for housing and commercial uses with provision of off-street parking, new streets or other public improvements serving such areas; and

WHEREAS, the Saint Paul Planning Commission has reviewed the Redevelopment Plan for the Project Area and approved the same as being in the conformity with the Saint Paul Comprehensive Plan and the general plan for the development and redevelopment of the City as a whole; and

WHEREAS, the Redevelopment Plan will assist in the redevelopment of blighted, substandard and deteriorated or deteriorating areas as a mix of housing and commercial uses with related public infrastructure resulting in the revitalization of neighborhood areas, will assist in the provision of off-street parking facilities to alleviate conditions of traffic congestion, street parking proliferation and air pollution, will preserve and enhance the tax base available to finance municipal services, and will provide housing and commercial opportunities, thereby achieving the purposes and objectives of Minnesota Statutes, Section 469.001 to 460.047 (the "HRA Act"); and

WHEREAS, it has been proposed that, within the Project Area, the HRA create the Ford Site Redevelopment Tax Increment Financing District (the "TIF District"), as a redevelopment tax increment financing district, and adopt a Tax Increment Financing Plan therefor (the "TIF Plan") therefor, all pursuant to Minnesota Statutes, Sections 469.174 through 469.1794 (the "TIF Act"); and

WHEREAS, the TIF District is being established to facilitate necessary public infrastructure and related costs to advance the redevelopment of the Ford Site into a mix of housing and commercial uses (the "Development"); and

WHEREAS, the HRA has investigated the facts and has caused to be prepared the TIF Plan for the TIF District; and

WHEREAS, the HRA has performed all actions required by law to be performed prior to the creation of the TIF District and adoption of a TIF Plan therefor, including, but not limited to, notification of the Ramsey County Commissioner representing the area of the County in which the TIF District is located and transmitting a copy of the TIF Plan to Ramsey County and Independent School District Number 625, which have taxing

jurisdiction over the property to be included in the TIF District; and

WHEREAS, the City Council has heretofore held a public hearing on March 16, 2016 on (i) adoption of the TIF Plan and the Redevelopment Plan and (ii) the establishment of the TIF District and the Project Area and (a) made the findings required by the TIF Act and the HRA Act, (b) approved the establishment of the Project Area and the adoption of the Redevelopment Plan, and (c) approved the establishment of the TIF District and the adopted the TIF Plan; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners (the “Board”) of the HRA, as follows:

Section 1. Findings and Approval of Redevelopment Project Area and Redevelopment Plan.

1.01 It is hereby found and determined that the undertakings and the site of the Project Area constitute a “redevelopment project” within the meaning of Minnesota Statutes, Section 469.002, Subdivision 14; that the land in the Project Area would not be made available for, nor would redevelopment be financially feasible without the financial assistance proposed for the development; that the Redevelopment Plan will afford maximum opportunity, consistent with the sound needs of the locality as a whole, for the redevelopment of the Project Area by private enterprise; and that the Redevelopment Plan conforms to the Saint Paul Comprehensive Plan, and the general plan for the development of the City as a whole.

1.02 The Redevelopment Plan and the redevelopment project activities thereby proposed are hereby adopted and approved as necessities and in the public interest by removing conditions of blight and deterioration, by preventing the spread of deteriorating conditions through redevelopment of cleared or renovated property, by preserving and enhancing the municipal tax base, by providing low and moderate income housing opportunities, and by providing necessary public improvements, by promoting the sound growth and development of neighborhoods and communities, and thereby serving the public safety, health, morals and general welfare of the residents of this City and State.

1.03 The Redevelopment Project Area is hereby established and the Redevelopment Plan is hereby adopted and approved by the Authority.

Section 2. Findings for the Creation of TIF District and Adoption of TIF Plan therefor.

The Board hereby finds that the creation of the TIF District and the adoption of the TIF Plan therefor are intended and, in the judgment of the Board, the effect will be, to carry out the objectives of the Redevelopment Plan by redeveloping the Ford Site into a mix of housing and commercial uses in the City, and to otherwise promote certain public purposes and accomplish certain objectives as specified in the Redevelopment Plan and TIF Plan.

Section 3. Creation of TIF District and Approval of the TIF Plan Therefor; Other Authorizations.

3.01 The creation of the TIF District and the adoption of the TIF Plan therefor, are hereby approved and the TIF Plan shall be placed on file in the office of the Executive Director of the HRA.

3.02 The HRA’s Executive Director and staff of the HRA and the HRA’s advisors and legal counsel are authorized and directed to proceed with the establishment of the TIF District and implementation of the TIF Plan therefor and this Resolution. The HRA’s Executive Director is authorized and directed to negotiate and execute all documents, notes and contracts necessary to accomplish these actions.

3.03 The staff of the HRA is hereby directed to file a copy of the TIF Plan with the County Auditor of Ramsey County and to request the County Auditor to certify the original tax capacity of the TIF

District.

3.04 The staff of the HRA is also directed to file a copy of the TIF Plan with the Office of the State Auditor and file with Commissioner of Revenue within 60 days after the latest of: (a) the filing of the request with the County Auditor to certify the TIF District and (b) the date of approval of the TIF Plan by the City and the HRA.

Section 4. Approval and Adoption of Policy on Interfund Loans and Advances. The Board hereby approves a policy on interfund loans or advances ("Loans") for the TIF District, as follows:

4.01 The authorized tax increment eligible costs (including without limitation out-of-pocket administrative expenses) payable from the TIF District or any other tax increment financing district established within the Project Area, as its TIF Plan is originally adopted or may be amended, may need to be financed on a short-term and/or long-term basis via one or more Loans, as may be determined by the Executive Director from time to time.

4.02 The Loans may be advanced if and as needed from available monies in any fund or account of the HRA designated by the Executive Director. Loans may be structured as draw-down or "line of credit" obligations of the lending fund(s).

4.03 Neither the maximum principal amount of any one Loan nor the aggregate principal amount of all Loans may exceed \$275,000,000 outstanding at any time.

4.04 Any Loan shall mature not later than February 1, 2046 or such earlier date as the Executive Director may specify in writing. All Loans may be pre-paid, in whole or in part, whether from tax increment revenue, TIF bond proceeds or other eligible sources.

4.05 The outstanding and unpaid principal amount of each Loan shall bear interest at the rate prescribed by the statute (Minnesota Statutes, Section 469.178, Subdivision 7), which is the greater of the rates specified under Sections 270C.40 or 549.09 at the time a Loan, or any part of it, is first made, subject to the right of the Executive Director to specify a lower rate.

4.06 Such Loans within the above guidelines are pre-approved. The Loans need not take any particular form and may be undocumented, except that the Executive Director shall maintain all necessary or applicable data on the Loans.

Section 5. Approving an HRA Budget Amendment. The Board hereby approves the HRA budget as set forth in **Attachment A**.