



Legislation Text

File #: RES 16-1776, **Version:** 1

Resolution Approving the Decertification of the Penfield Redevelopment Tax Increment Financing District and the Termination of the Development Agreement with Penfield Apartments LLC, District 17, Ward 2.

WHEREAS the Board of Commissioners of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota ("HRA") has heretofore established the Saint Paul Neighborhood Redevelopment Project Area (the "Project Area") and has adopted a redevelopment plan therefor (the "Redevelopment Plan") pursuant to Minnesota Statutes, Sections 469.001 to 469.047, as amended; and

WHEREAS, said Redevelopment Plan contains an identification of need and statement of objectives and program of the HRA for carrying out of a redevelopment project, including property to be acquired, public improvements to be provided, development and redevelopment to occur, and sources of revenue to pay redevelopment costs within the Project Area; and

WHEREAS, on June 21, 2006, the City Council of the City of Saint Paul, Minnesota (the "City"), and on June 28, 2006, the HRA approved the creation of the Penfield Redevelopment Tax Increment Financing District (a redevelopment district) (the "TIF District") and adopted a tax increment financing plan therefor and on February 15, 2012 the City, and on February 22, 2012, the HRA, approved the amended and restated tax increment financing plan for the TIF District (as further amended, the "TIF Plan"); and

WHEREAS, it has been proposed that the HRA decertify the TIF District as of October 14, 2016; and

WHEREAS, the TIF District will only be decertified on October 14, 2016 if the Penfield Apartments LLC (the "Developer") terminates the Development Agreement entered into with the HRA on June 20, 2012 (the "Development Agreement") in connection with the sale of the Project (as defined in the Development Agreement).

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Authority, as follows:

1. TIF District Decertified. Contingent upon termination of the Development Agreement by resolution of the Developer, the Development Agreement shall be terminated in accordance with a termination agreement between the HRA and the Developer and the TIF District shall be deemed decertified as of October 14, 2016. Therefore, the second half collection of tax increments from the TIF District for Pay 2016 will be redistributed by Ramsey County to the appropriate taxing jurisdictions.

2. Direction to HRA Staff. Contingent upon termination of the Development Agreement by resolution of the Developer, HRA Staff is authorized and directed to transmit a copy of this resolution to Ramsey County with a request to de-certify the TIF District, it being the intent of the HRA that no further collection of tax increment from the TIF District will be distributed to the HRA.