



Legislation Text

File #: RES 17-563, **Version:** 1

Approval of a Forgivable Loan of \$115,000 from the HRA Parking Fund to the East Side Neighborhood Development Company for the Destination Payne Parking Improvements Program, District 5, Ward 6
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, East Side Neighborhood Development Corporation (ESNDC) has for many years successfully administered a Business Improvement Fund loan program for businesses along Payne Avenue that is funded through the City's CDBG allocation; and

WHEREAS, ESNDC has applied for \$115,000.00 of funds from the HRA for its Destination Payne Parking Improvements Program ("DPPI Program"); and

WHEREAS, ESNDC has adopted DPPI Program Guidelines ("Guidelines") which it intends to use in underwriting and approving sub loans to individual businesses on Payne Avenue in connection with its DPPI Program; and

WHEREAS, in the fall of 2016, the PED Resource Team identified the HRA Parking Fund as an appropriate funding source for the DPPI Program; and

WHEREAS, HRA staff recommends that the Board of Commissioners of the HRA approve a forgivable loan of \$115,000 to ESNDC on the terms and conditions set forth in the staff report accompanying this resolution provided that ESNDC makes sub loans consistent with the Guidelines attached to the staff report ("ESNDC Loan"); and

WHEREAS, the HRA Board finds a public purpose for the actions being taken in this resolution.

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 hereby approves the ESNDC Loan from the HRA Parking Fund to fund the DPPI Program provided that ESNDC and all sub borrowers fully comply with the HRA's compliance requirements.
2. That the HRA Executive Director and staff are authorized and directed to take all necessary actions to implement this resolution and the HRA Executive Director is hereby authorized and directed to execute the necessary documents on behalf of the HRA to implement this resolution, and to negotiate and agree to any

amendments, deletions or revisions to the documents provided that such amendments are acceptable in form and substance to the Saint Paul City Attorney.