



## Legislation Text

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**File #:** RES PH 18-328, **Version:** 2

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Resolution approving and authorizing the sale and conveyance of 100 East 10<sup>th</sup> Street, Saint Paul, MN to The Ackerberg Group; and authorization to enter into a development agreement, District 17, Ward 2

**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**, on November 8, 2017 by Resolution No. 17-1785 the HRA Board awarded tentative developer status to The Ackerberg Group ("TAG") for the redevelopment of the Public Safety Annex located at 100 E 10<sup>th</sup> Street, Saint Paul, MN ("Property") to construct an office and retail project; and

**WHEREAS**, the Property is currently owned by the City of Saint Paul and staff is going through the process of obtaining the City Council's approval of transfer of title to the HRA; and

**WHEREAS**, HRA staff has negotiated a development agreement with the Developer for the sale and conveyance of the Property ("Development Agreement") to the Developer on the terms and conditions described in the staff report submitted to the HRA Board with this Resolution and contained in the Development Agreement which is on file in the Executive Director's office; and

**WHEREAS**, to preserve the opportunity to expand Pedro Park, if at any time in the future the City desires to vacate all or a portion of the Alley to facilitate the expansion of the existing adjacent park north of the Alley, the Developer agrees to support such vacation and execute any documents needed to evidence its support, provided that the City then provide dedicated public access by another route so as to preserve the identical Access to the building on the Development. Such substitute access may be to either 9th street to the south or Minnesota street to the west. The Developer agrees that its design and construction of any improvements on the Development Property shall not limit in any way the City's ability to provide substitute access to the Development Property from the southern boundary; and

**WHEREAS**, pursuant to due notice thereof that was published in the Saint Paul Pioneer Press a public hearing on this sale and Development Agreement was held on Wednesday, October 24, 2018 at 2:00 pm, on the third floor of City Hall, 15 West Kellogg Boulevard, Saint Paul, Minnesota; and

**WHEREAS**, The Pedro Park Project is proposed to be developed by the City of Saint Paul at 104-124 10<sup>th</sup> St E, adjacent to the Property according to the design shown in the attachment to the staff report; and

**WHEREAS**, it is the intention of the HRA to distribute proceeds from the sale of Property to the City of Saint Paul for the Pedro Park Project and for holding costs, expenses, and staff time related to Property; and

**WHEREAS**, by this resolution the HRA finds a public purpose for the sale and conveyance of the Property to the Developer; 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. Subject to the City of Saint Paul's transfer of the Property to the HRA, the HRA Board of Commissioners hereby approves the Development Agreement and sale and conveyance of the Property to the Developer on the terms and conditions described in the staff report and Development Agreement.
2. The HRA Board of Commissioners further approves the execution of the Development Agreement by the HRA's Chair, Executive Director and Director of Office of Financial Services.
3. The HRA Executive Director is authorized and directed to finalize all documents and agreements necessary to effectuate the sale and conveyance of the Property to the Developer.
4. 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. The HRA's Executive Director is authorized to execute any other documents and instruments in connection with this Resolution except that the HRA Chair/Commissioner shall execute the deed of conveyance of the Property to the Developer.
5. The sale proceeds collected from TAG from the sale of the Property will be distributed as follows: \$1,317,500.00 to the City of Saint Paul Department of Parks & Recreation for the Pedro Park Project; \$77,500.00 to the City of Saint Paul Office of Financial Services for holding costs, expenses, and staff time related to the Property; and the balance to the HRA for expenses and staff time related to the sale of the Property.