



Legislation Text

File #: Min 19-34, **Version:** 1

Approving the August 14, 2019 HRA Board meeting minutes **ROLL CALL**

Present 6 - Commissioners Brendmoen, Busuri, Jalali Nelson, Noecker, Prince; and Chair Tolbert

Absent 1 - Commissioner Thao

FOR DISCUSSION

1. Amend the 2019 HRA Housing Trust Fund Project Financing Budget, Citywide

Kristin Guild, Acting Executive Director, stated that this is a budget amendment for project financing budgets that are connected to the Housing Trust Fund. The Housing Trust Fund has a number of different sources that are budgeted to it; HRA sources, STAR dollars and remaining Invest St. Paul program funds. When we bring in new programs we also create a program budget to help track investments over time. Prior budget actions for the 4D and Community Land Trust programs didn't appropriately match the programs to capital and non-capital dollars.

Specifically, \$60,000 of Invest Saint Paul capital dollars were originally budgeted to the 4D program. This action will instead allocate more flexible HRA dollars budgeted to the Housing Trust Fund to the 4D program. Similarly, the Community Land Trust investments were split between \$500,000 of capital STAR and \$500,000 of ISP, believing ISP to be non-capital funds. Rather than having it split, we now feel comfortable that all the Community Land Trust investments will be capital investments. So, we are recommending allocating just capital ISP dollars to the Community Land Trust investments.

Commissioner Jalali Nelson asked what the final breakdown of the new uses is. Ms. Guild said the 4D program, \$60,000, of HRA sources and \$1,000,000 of ISP funds directed to the Community Land Trust.

Commissioner Noecker asked if that frees up corresponding STAR dollars that aren't going to the Housing Trust Fund. Ms. Guild stated that there is \$12,000,000 budgeted to the Housing Trust Fund and we are sub allocating dollars to specific programs. This is effectively an accounting action so we can track the funds by program, not any change to the overall funds budgeted.

Moved by Commissioner Noecker, Resolution Adopted and set forth in RES 19-1335

VOTE: Yeas - 6 Nays - 0

2. Resolution approving and authorizing the execution of assignment and subordination documents for the Parkway Gardens Project, 1145 Hudson Road, District 4, Ward 7

Kristin Guild, Interim Executive Director, stated that this request is to subordinate debt and assign documents that will facilitate the sale of the Parkway Gardens Apartment building, which is 160 senior affordable units. The original financing dates back to 2003 which includes Tax Exempt Bonds, Low Income Housing Tax Credits and a Pay as You Go TIF Note. The current request is for approval to

assign and subordinate the HRA loan, development agreement, TIF and Bond financing to a new ownership entity and to a new larger bank loan. The project would maintain the affordability requirements that are currently in place until 2034. Those affordability levels are 128 of the units are restricted to households earning 60% AMI, 16 of the units are at 50% AMI, 16 of the units at 30% AMI and the project currently has 18 units with Section 8 Vouchers.

Commissioner Prince shared her gratification for this housing resource in her ward.

Moved by Commissioner Prince, Resolution Adopted and set forth in RES 19-1337

VOTE: Yeas - 6 Nays - 0

3. Resolution authorizing the issuance and sale of conduit charter school lease revenue bonds, under Minnesota Statutes, Sections 469.152 through 469.1655, for the Community of Peace Academy Project, 471 Magnolia Avenue East and approving related documents; District 5, Ward 5

Kristin Guild, Acting Executive Director, stated that this item is a final approval to issue up to \$7.5 million dollars in conduit lease revenue bonds for the Community of Peace Building Company. That is to assist in the financing of construction of a 30,000-square foot addition that will add 16 classrooms; including rooms for science, music, arts and to improve their cafeteria and gymnasium. The public hearing and preliminary approval for this item was on July 10.

Not related to this action, Ms. Guild shared that on July 24 Commissioner Brendmoen asked PED to study the issue of charter schools in industrial zones and that she has discussed that request with PED Planning Director, Luis Pereira, and our team with work with the Planning Commission and Council on scoping and the time frame for that study.

Commissioner Brendmoen clarified that it's not just school uses in industrial areas or a charter school question; it's schools and expansion that are allowed in every zoning level. They have discussed not allowing this without a conditional use permit to make sure the appropriate amenities are attached. She is pleased to hear that the study is moving forward.

Moved by Commissioner Brendmoen, Resolution Adopted and set forth in RES 19-1344

VOTE: Yeas - 6 Nays - 0

4. Resolution authorizing the issuance and sale of conduit charter school lease revenue bonds, under Minnesota Statutes, Sections 469.152 through 469.1655, for the Twin Cities German Immersion School Project, 1031 Como Avenue and approving related documents; District 10, Ward 5

Kristin Guild, Acting Executive Director, stated that this is the final approval to issue up to \$9 million dollars in conduit lease revenue bonds to the Twin Cities German Immersion School Building Company. These dollars will be used to finance the construction of a 3-story 23,500sq ft. addition for classrooms, special education, instructional spaces, administrative offices, gymnasium and a cafeteria. The public hearing and preliminary approval for this item occurred on July 24.

Commissioner Prince shared that she will not be voting for this item.

Moved by Commissioner Brendmoen, Resolution Adopted and set forth in RES 19-1345

VOTE: Yeas - 4 Nays - 2 (Commissioners Busuri and Prince)

PUBLIC HEARING

5. Authorization to acquire the tax forfeited parcel located at 718 Orange Street, Saint Paul, Minnesota and then to convey such parcel to Singular Development Resources, Inc. for rehabilitation of current structure for affordable housing, District 5, Ward 6

Kristin Guild, Acting Executive Director, stated that this item is a tax forfeit property pass through sale. Singular Development Resources is interested in acquiring the property, will provide its own financing for the project and ownership of the property must remain affordable for seven years; requiring that it will only be sold to persons qualifying for affordable housing under the terms of the County agreement. The estimated acquisition rehab total development cost is \$169,000.

Moved by Commissioner Brendmoen, Resolution Adopted and set forth in RES PH 19-269

VOTE: Yeas - 6 Nays - 0

ADJOURNMENT

Moved by Chair Tolbert, the HRA Board Meeting is Adjourned

VOTE: Yeas - 6 Nays - 0

INFORMATION

The notice of public hearing on the proposed sale of certain parcels to Neighborhood Development Alliance as published in the Pioneer Press has been cancelled and will not be on today's agenda for consideration.