



Legislation Text

File #: RES 20-1491, **Version:** 1

Resolution approving and authorizing the waiver of the maximum per-unit subsidy for four properties under the Inspiring Communities program, Districts 5, 6 and 9, Wards 2 and 5

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 Minnesota Statutes, Section 469.002, Subdivision 14; and

WHEREAS, the HRA has duly adopted and there is now lawfully in effect in the City of Saint Paul, Minnesota, a Citywide Comprehensive/Redevelopment Plan providing for the acquisition, clearance and resale of land for redevelopment and a City Consolidated Five-Year Plan; and

WHEREAS, on July 24, 2013, by Resolution 13-1097, the HRA Board accepted and approved the HRA Disposition Strategy Work Plan and Budget ("Plan") to address the disposition of certain parcels of real property owned by the HRA; and

WHEREAS, on October 9, 2013, by Resolution 13-1592, the HRA Board accepted and approved key terms of the Plan's Inspiring Communities Program ("Program"), which included a maximum gross subsidy cap per unit of \$150,000 (the "Cap"); and

WHEREAS, on July 13, 2016, by Resolution 16-1190, the HRA Board accepted and approved a change to the Cap, increasing it from \$150,000 to \$175,000 (the "Revised Cap") (for properties in Wards 1, 2, 5, 6 and 7); and

WHEREAS, the HRA Board recognizes that some of the remaining properties in the HRA's Program may require gross per-unit subsidy in excess of \$175,000; and

WHEREAS, on August 9, 2017 by Resolution 17-218, the HRA Board approved the conveyance of the structure and entrance into a development agreement for the property located at 69 Garfield; and

WHEREAS, on February 27, 2019, by Resolution 19-59, the HRA Board approved the conveyance of the vacant lots and entrance into development agreements for properties located at 947 Sylvan Street and 964 Woodbridge Street, and

WHEREAS, on August 28, 2019, by Resolution 19-292, the HRA Board approved the conveyance of the vacant lot and entrance into a development agreement for the property located at 716 Desoto Street; and

WHEREAS, four properties that were previously recommended for funding have encountered development

circumstances as described in the accompanying report that require a gross subsidy in excess of the Revised Cap and staff recommends waiving the Revised Cap in these instances as costs associated with the aforementioned circumstances are reasonable; and

WHEREAS, the HRA Board wishes to facilitate the redevelopment of the four properties and therefore finds a public purpose in amending the project budgets as described in the report for 716 Desoto Street, 947 Sylvan Street, 964 Woodbridge Street and 69 Garfield Street;

NOW THEREFORE BE IT RESOLVED that the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, hereby approves as follows:

1. That the maximum per-unit gross subsidy cap is waived for projects located at 69 Garfield Street, 947 Sylvan Street, 964 Woodbridge Street, and 716 Desoto Street in order to address the circumstances detailed in the accompanying report.
2. That the HRA hereby authorizes and directs staff to take all actions necessary to effectuate the change authorized by this Resolution, and the Executive Director is hereby authorized to amend Inspiring Communities documents to insure consistency with the intent of this Resolution, with approval by the City Attorney's Office.