



## Legislation Text

---

**File #:** RES 20-1673, **Version:** 1

---

Reciting a proposal for a Housing Finance Program for a multifamily rental housing development, approving the project and the program pursuant to Minnesota Statutes, Chapters 462C and 469, authorizing The Ramsey County Housing & Redevelopment Authority to issue conduit multifamily housing revenue obligations in connection with said project and program, 750 Milton Ave North (Wilder Square Project District 7, Ward 1).

(a) Minnesota Statutes, Chapter 462C (the “Act”) confers upon cities and certain housing and redevelopment authorities the power to issue revenue bonds to finance a program for the purposes of planning, administering, making or purchasing loans with respect to one or more multifamily housing developments within the boundaries of the city;

(b) The Ramsey County Housing & Redevelopment Authority (the “RCHRA”) has the authority to exercise the powers conferred by Minnesota Statutes, Section 462C.01 to 462C.081; and

(c) The RCHRA has received a proposal from CB Wilder Square GP Limited Partnership, a Minnesota limited partnership (or another entity affiliated with CommonBond Communities, a Minnesota nonprofit corporation, the “Borrower”), that the RCHRA undertake a housing finance program (the “Housing Program”) to finance the Project hereinafter described, pursuant to Minnesota Statutes, Chapter 462C, through the issuance of taxable and tax exempt housing revenue bonds or notes in one or more series in an estimated principal amount not to exceed \$17,000,000 (the “Bonds”); and

(d) The Project to be financed by the Bonds is the acquisition, rehabilitation and equipping of an approximately 136-unit multifamily rental housing development consisting of an existing 11-story building with surface parking and other functionally related facilities, located at 750 Milton Ave North in the City of Saint Paul, Minnesota (the “City”) (the “Project”); and

(e) The Project will be owned and operated by the Borrower, or an affiliated entity; and

(f) The proposal calls for the RCHRA to loan the proceeds realized upon the issuance and delivery of the Bonds to the Borrower pursuant to a loan agreement wherein the Borrower will be obligated to pay all costs and expenses of the RCHRA and the City incident to the issuance of the Bonds; and

(g) The City desires to facilitate the construction and development of multifamily housing facilities within the City; and the Project will assist the City in achieving these objectives; and

(h) In accordance with Minnesota Statutes, Sections 469.004 and 469.005, a public hearing on the Housing Program and the Project was held on this date by the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the “SPHRA”) following duly published notice, at which time all persons that desired to speak were heard and the SPHRA has recommended approval of the Project and the issuance of the Bonds by the RCHRA; and

(i) No public official of the City has either a direct or indirect financial interest in the Project nor will any public official either directly or indirectly benefit financially from the Project.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Saint Paul, Minnesota, as

follows:

1. The City hereby approves the multifamily rental housing Project, described above, to be undertaken by the Borrower pursuant to the Borrower's specifications, and approves the Housing Program therefor, pursuant to the Act.

2. On the basis of information available to the City it appears, and the City hereby finds, that the Project constitutes a multifamily housing development within the meaning of subdivision 5 of Section 462C.02 of the Act; that the availability of the financing under the Act and the willingness of the RCHRA to furnish such financing will be a substantial inducement to the Borrower to undertake the Project, and that the effect of the Project, if undertaken, will be to provide multifamily rental housing opportunities to residents of the City, and to promote more intensive development and use of land within the City.

3. The Project, and the program to finance the Project by the issuance of the Bonds, is hereby approved by the City subject to final approval by the RCHRA, the Borrower and the purchaser of the Bonds as to ultimate details of the financing of the Project, all subject to the availability of an allocation of tax exempt bonding authority for the Bonds.

4. Pursuant to Minnesota Statutes, Sections 469.004 and 469.005, the City hereby authorizes the RCHRA to issue the Bonds to finance the Project and to implement the Housing Program and to take all actions necessary or desirable in connection therewith, and no further approval or authorization of the City shall be required.

5. The Borrower has agreed and it is hereby determined that any and all costs incurred by the City, the SPHRA or the RCHRA in connection with the financing of the Project whether or not the Project is carried to completion and whether or not approved by RCHRA will be paid by the Borrower

6. Nothing in this Resolution or the documents prepared pursuant hereto shall authorize the expenditure of any municipal funds on the Project other than the revenues derived from the Project. The Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property or funds of the City, the SPHRA or the RCHRA except the revenue and proceeds pledged to the payment thereof, nor shall the City, the SPHRA or the RCHRA be subject to any liability thereon. The holders of the Bonds shall never have the right to compel any exercise of the taxing power of the City, the SPHRA or RCHRA to pay the outstanding principal on the Bonds or the interest thereon, or to enforce payment thereon against any property of the City, the SPHRA or the RCHRA. The Bonds shall recite in substance that the Bonds, including the interest thereon, are payable solely from the revenue and proceeds pledged to the payment hereof..The Bonds shall not constitute a debt of the City, the SPHRA or RCHRA within the meaning of any constitutional or statutory limitation.

7. In anticipation of the issuance of the Bonds to finance all or a portion of the Project, and in order that completion of the Project pursuant to the Borrower's specifications will not be unduly delayed when approved, the Borrower is hereby authorized to make such expenditures and advances toward payment of that portion of the costs of the Project to be financed from the proceeds of the Bonds, as the Borrower considers necessary, including the use of interim, short-term financing, subject to reimbursement from the proceeds of the Bonds if and when delivered but otherwise without liability on the part of the City or the RCHRA.

8. The City's PED Director, staff and legal counsel are hereby authorized and directed to take all actions necessary to implement this Resolution.