



Legislation Text

File #: RES 22-1517, **Version:** 4

Resolution authorizing a partial waiver of the Sustainable Building Ordinance and approving additional financing for the projects at 947 Sylvan Street and 964 Woodbridge Street, District 6, Wards 1 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 owns vacant land with addresses of 947 Sylvan Street and 964 Woodbridge Street (the "Properties," each a "Property"), which are included in its Inspiring Communities Program ("Program"); and

WHEREAS, on October 9, 2013, by Resolution 13-1592, the HRA Board accepted and approved key terms of the 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 (for properties in Wards 1, 2, 5, 6 and 7); and

WHEREAS, on February 27, 2019, by Resolution 19-59, the HRA Board approved the conveyance of the Properties to and entrance into development agreements with the Greater Frogtown Community Development Corporation (GFCDC) and the Greater Metropolitan Housing Corporation (GMHC), in partnership, for construction and sale of new homes on the Properties to eligible homebuyers (the "Projects"); and

WHEREAS, between February 2019 and October 2020, the Projects experienced cost increases due to site conditions, and on October 28, 2020, by Resolution 20-1491, the HRA Board waived the Cap for the Projects and authorized additional expenditures totaling \$178,036.27 and \$194,213.64, respectively; and

WHEREAS, since October 2020, costs for the proposed construction have, along with costs in the construction industry at large, increased further; and

WHEREAS, on July 13, 2022, by Resolution 22-1072, the HRA Board rescinded Resolution 16-1190, established a new Cap setting a maximum development subsidy of \$200,000 per unit, and authorized the HRA's Executive Director or the Executive Director's designee to approve development subsidy increases of up to 20% of the amount approved by the HRA Board (the "20% Threshold") provided the Cap is not exceeded or the HRA Board had waived the Cap; and

WHEREAS, Chapter 81 of the City of Saint Paul's Administrative Code (the "Sustainable Building Ordinance") establishes sustainable building regulations for buildings owned, operated, or funded by the City, applicable to "new construction [...] of any facilities within the City of Saint Paul receiving more than \$200,000 of City Funding," and allowing for waiver "in whole or in part" by the HRA Board or the City Council; and

WHEREAS, staff recommends partial waiver of the requirements of the Sustainable Building Ordinance as described in the Board Report accompanying this Resolution; and

WHEREAS, the HRA's authorized funding for each Project will, subject to adoption of this Resolution, exceed the Cap, the 20% Threshold and the \$200,000 threshold for applicability of the Sustainable Building Ordinance; and

WHEREAS, the HRA Board wishes to facilitate the redevelopment of the Properties and therefore finds a public purpose in waiving the Cap, waiving certain requirements of the Sustainable Building Ordinance and increasing the budgets for the Projects as described in this Resolution and the Board Report attached to this Resolution;

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

1. The HRA Board hereby waives certain requirements of Chapter 81 of the City of Saint Paul's Administrative Code as described in the Board Report attached to this Resolution.
2. The HRA Board hereby approves an increase of ~~\$102,769~~ ~~\$109,769~~ ~~\$139,769~~ to the allocation of development subsidy for the Project at 947 Sylvan Street, acknowledges the total development subsidy approved is now ~~\$280,805~~ ~~\$287,805~~ ~~\$310,805~~, and waives the Cap.
3. The HRA Board hereby approves an increase of ~~\$70,096~~ ~~\$77,096~~ ~~\$107,096~~ to the allocation of development subsidy for the Project at 964 Woodbridge Street, acknowledges the total development subsidy approved is now ~~\$264,310~~ ~~\$271,310~~ ~~\$301,310~~, and waives the Cap.
4. The HRA Board hereby requires that, for both Projects, fiber cement or engineered wood siding, such as Hardie or LP SmartSide, and not vinyl, be installed and for both projects a residential garage be installed.
- ~~4.~~ 5. The HRA Board hereby authorizes the HRA Executive Director, staff and legal counsel to take all actions necessary to effectuate this Resolution.