



Legislation Text

File #: RES 23-651, **Version:** 1

Resolution approving a \$49,000 CDBG Loan to Crasqui Restaurant, LLC for new job creation and interior restaurant rehabilitation project at 84 Wabasha Street S., District 3, 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, the operator of Crasqui Restaurant, LLC is proposing to lease and rehabilitate an existing space and open a new restaurant located at 84 Wabasha Street S. ("Property") to construct the restaurant space in order to create new jobs (the "Project"), as described in the staff report submitted to the HRA Board with this resolution (the "Board Report"); and

WHEREAS, the HRA Board finds there is a proper public purpose for providing the loan to Crasqui Restaurant, LLC for the Project, including to create and retain jobs, support investment in low-to-moderate income areas, and support the tax base; and

WHEREAS, the completion of the Project by Crasqui Restaurant LLC will meet a HUD national objective, as identified by the accompanying Board Report, making it eligible to use CDBG funds, and Crasqui Restaurant LLC has agreed to enter into a loan agreement with the HRA governing the use of such funds.

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. The HRA Board of Commissioners hereby approves and authorizes the making of a \$49,000 loan to Crasqui Restaurant LLC (the "Borrower") using CDBG funds for the restaurant construction Project under the terms of a loan agreement that contains all appropriate CDBG compliance obligations.
2. The Executive Director of the HRA is hereby authorized and directed to negotiate the terms and conditions of the loan agreement, consistent with the terms of these resolutions and the accompanying Board Report, and the appropriate HRA officials are empowered to execute that loan agreement on behalf of the HRA.
3. The HRA staff and the HRA Executive Director are further authorized and directed to take all actions necessary to implement this resolution.
4. Alternatively, in the event that the Borrower is unable to obtain a federally issued UEI number necessary to borrow CDBG funds, then, in such as case, the HRA staff and HRA Executive Director shall be authorized to loan to the Borrower funds from the Business Assistance Fund upon the same loan terms as

described in the Board Report.

5. subject to approval by the City Attorney's Office and except as otherwise required pursuant to applicable ordinances and bylaws, the only signature that shall be required on documents in connection with this Resolution is that of the Executive Director of the HRA who is hereby approved and authorized to execute all said documents and instruments, which shall be sufficient to bind the HRA to any legal obligations therein.

6. that this Resolution does not constitute a binding legal agreement; rather, the action taken herein shall not be effective until said documents are executed by the appropriate official(s) of the HRA.