

Sponsored By: _____
Commissioners

RESOLUTION NO. 10-06/23-

**APPROVAL OF FORGIVABLE LOANS FROM THE NEIGHBORHOOD
COMMERCIAL PARKING PILOT PROGRAM**

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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 construction of light rail in the Central Corridor will result in the loss of 85% of the on-street parking on University Avenue, which threatens to displace many local businesses; and

WHEREAS, to mitigate the effects of this loss, on August 12, 2009, by Resolution 09-08/12, the HRA approved the Neighborhood Commercial Parking Pilot Program Guidelines ("Guidelines") and amended the budget to fund forgivable loans to make improvements to off street parking facilities; and

WHEREAS, on March 10, 2010, by Resolution 10-3/10-4, the HRA approved amendments to several tax increment plans that financed various improvements to the Central Corridor, including \$1.5 million for parking improvements; and

WHEREAS, on June 22, 2010, Commissioners Carter and Stark met to review the rankings of the Review Committee for the 50 applications submitted totaling almost \$2 million, and to make recommendations to the HRA as to which projects to fund; and

WHEREAS, the Guidelines require that each loan be secured by personal guarantee of the borrower and a subordinate mortgage on the property, and it may be problematic to receive a subordinate mortgage for each loan, and therefore staff is asking that the Board

37 delegate to the Executive Director the discretion to waive this mortgage requirement on
38 an individual loan basis:

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40 **NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of the
41 Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, that:

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43 **1.** The HRA Board hereby approves staff moving forward with developing project details
44 and forgivable loan documents on the following projects up to the following amounts,
45 with an October 15, 2010 deadline for applicants to complete final project plans and
46 shared parking agreements, where applicable:

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Address	Business	Up to:
343 University	Metro Social Services	\$25,000
353 University	Ha Tien Market	\$25,000
377 University	May's Market	\$25,000
389 University	Ahn's Hair and apartment	\$25,000
489 Arundel	441 remote lot	\$25,000
575 University	Unidale Insurance	\$25,000
625 University	NW corner Univ/Dale	\$150,000
660 University	SE corner Univ/St.Albans	\$150,000
739 University	Trung Nam	\$25,000
750 University	Cambodian Employment	\$25,000
854 University	Tai Hoa BBQ/T.C.Nail	\$50,000
860 University	Best Steak House	\$50,000
904 University	Thong Auto/Williams	\$75,000
933 University	Safety Care	\$25,000
979 University	Shear Pleasure	\$25,000
1133 University	Chiropractor, Apts, Mon.	\$50,000
1159 University	Vietnam Center	\$25,000
1449 University	Duggan/Hair Salons	\$25,000
1556 Sherburne	NE block Univ/Snelling	\$150,000
1601 University	NW block Univ/Snelling	\$250,000
1647 University	Hammond Awards	\$25,000
1685 University	Milbern Clothing	\$25,000
2121 University	Subway	\$25,000
2447 University	Design Press	\$25,000
	Total	\$1,325,000

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49 **2.** That the HRA Executive Director is hereby authorized and directed to execute the
50 necessary documents on behalf of the HRA, and has the discretion to waive the
51 subordinate mortgage requirement on an individual loan basis, and to negotiate and agree

52 to any amendments, deletions or revisions to the documents provided that such
53 amendments are acceptable in form and substance to the Saint Paul City Attorney.