



Request for Proposals for the Purchase and Redevelopment of **1170 Arcade Street**

Release date: **November 21, 2022**

Deadline for submission of complete responses: **February 3, 2023 at 4:00 p.m.**

Project website: **stpaul.gov/1170Arcade**



SAINT PAUL
PLANNING & ECONOMIC
DEVELOPMENT

Jonathan Reisetter, Senior Project Manager
651-266-9119
jonathan.reisetter@ci.stpaul.mn.us

1170 ARCADE AVENUE

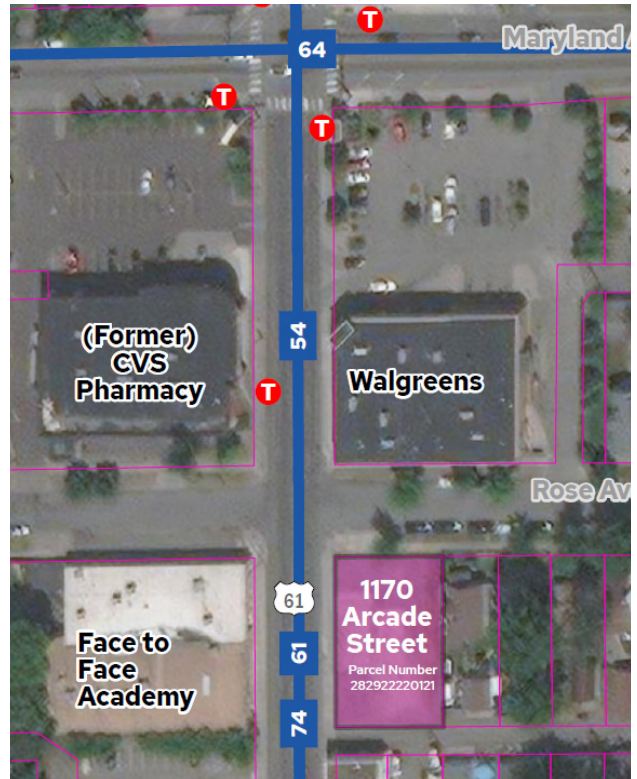
A development opportunity on Saint Paul's East Side

The Saint Paul Housing and Redevelopment Authority (HRA) is soliciting proposals for the purchase and redevelopment of 1170 Arcade Street in the Payne-Phalen neighborhood of Saint Paul (see [Attachment A](#) and [Attachment C](#)). A drone video is posted at stpaul.gov/1170Arcade.

This .22-acre corner site is one block south of Maryland Avenue and four blocks east of Payne Avenue and is served by multiple transit routes. Arcade Street will be undergoing MnDOT improvements beginning in Fall of 2024, including resurfacing the street, repairing sidewalks, updating curbs and driveways, improving pedestrian lighting, improving traffic signals and updating bus stops. More information on that project is here: talk.dot.state.mn.us/e7tharcade. The site has nearby access to parks and natural amenities, including Lake Phalen and Phalen Regional Park.

The Payne-Phalen (District 5) Community Council (see [Attachment F](#) for Neighborhood Profile) is eager to support redevelopment of this parcel. The neighborhood vision for the area is for a mix of uses, including community-oriented development in a variety of land uses: destination commercial, office, light industry and multi-family housing, favoring high quality building designs and sites that provide aesthetically pleasing public spaces and contribute to a sense of safety. For this site, commercial and mixed-use proposals will be considered, with a priority for offers that include an active, ground-floor use, job creation, housing, elements that promote environmental sustainability and space for community use.

The 2040 Comprehensive Plan supports higher density development to take advantage of nearby commercial and residential development, as well as the transit and amenities in the area. Project massing, height, scale and design must transition appropriately to surrounding development. The 2040 Comprehensive Plan can be found at stpaul.gov/2040plan and the Payne-Phalen (District 5) District Plan and Vision, and the Arcade Street Small Area Plan are included as [Attachment E](#).



"1170 Arcade Street is in a business corridor that is an important destination for housing, food, social services and transit. I am excited for our community in the East Side of Saint Paul to gain development that contributes toward that success and builds toward sustainability, connectivity and prosperity for our neighbors and businesses along Arcade Street."

- Nelsie Yang, Ward 6 City Councilmember



INSTRUCTIONS FOR SUBMITTING AN OFFER

All required materials must be emailed to Jonathan Reisetter, Senior Project Manager (jonathan.reisetter@ci.stpaul.mn.us) by 4 p.m. on Friday, February 3, 2023.

A complete submission will include:

- HRA General Application (see [Attachment G](#))
- Proposal narrative, including mix of uses
- Conceptual site plan
- Offer price
- Development timeline
- Preliminary Sources and Uses budget, including total development cost
- Experience and qualifications of developer, including development team bios
- Brief community engagement plan

Please note that email attachments over 20 MB cannot be received. Applicants may choose to submit their application materials by providing a link to files hosted on a cloud storage service (i.e Dropbox, Google Drive, etc.). Please contact Jonathan Reisetter with any questions or concerns about the submission process or to confirm receipt.

The sale will be subject to the requirements of the Disposition of HRA Owned Real Estate Policy (see [Attachment D](#)), including Vendor Outreach Program and Affirmative Action. Other compliance programs may also apply depending on the proposed project and funding sources. A copy of this policy is available at stpaul.gov/HRA. Additional conditions also apply (see [Attachment H](#)).

The property will be listed for sale on the City of Saint Paul website, early notification system (ENS) and on the property via a sign. Notification will also be provided to the District Council.

The property will be listed from November 21, 2022 until February 3, 2023, at a minimum. PED staff will begin reviewing offers on February 6, 2023.

PROPERTY DETAILS

Property address: 1170 Arcade Street (southeast corner of Arcade Street and Rose Avenue East)

PIN: 28-29-22-22-0121 (see [Attachment B](#))

Lot size: Approximately 122 x 80 feet, total area of approximately 9,760 square feet (0.22 acres)

Current use: Vacant, paved surface

Value: \$81,500 appraisal value as of April 4, 2022

Current zoning: T2 – Traditional Neighborhood. The T2 traditional neighborhood district is designed for use in existing or potential pedestrian and transit nodes. Its intent is to foster and support compact, pedestrian-oriented commercial and residential development that, in turn, can support and increase transit usage.

Soil condition: This site was previously used as a gas station. The HRA is planning to apply for grant funding for environmental site investigation in spring 2023.

REVIEW OF OFFERS

Upon review of offers, PED staff may forward a recommendation to the HRA Board of Commissioners to award tentative developer status to a specific proposer. The designation of “tentative developer status” means that the HRA has tentatively approved of the developer and the proposed project and will not negotiate with any other entity for the property while the developer diligently pursues the completion of all conditions attached by the HRA Board in award of the designation. Typical conditions may include design plans for the project, completion of a market study, environmental investigations, evidence of financing and negotiation of a development/purchase agreement, subject to HRA Board approval.

The HRA is under no obligation to sell the property. The HRA reserves the right to reject any and all offers to purchase. An application fee will be due, as outlined in the attached disposition policy, upon award of tentative developer status.

A final development/purchase agreement for the property must be approved by the HRA Board after a public hearing. The timeline for closing on the Development Agreement would typically not exceed one year. Upon closing, the HRA would transfer property to the selected developer by Quit Claim Deed, in “as is” condition, under the terms of the Development Agreement.

SELECTION CRITERIA AND TIMELINE

On February 6, 2023, the HRA staff will begin reviewing offers and may contact proposers as needed for additional information.

Staff will evaluate proposals using the following criteria:

1. Proposed commercial uses, including the type and number of jobs created
2. Proposed types and number of housing units and level of affordability
3. Opportunities for business owner or resident ownership, or other community wealth-building opportunities
4. Projected property tax revenue
5. Offer price
6. Experience and qualifications of the developer
7. Financial feasibility of the project
8. Proposed development timeline
9. Compatibility with Saint Paul’s 2040 Comprehensive Plan, Payne-Phalen (District 5) District Plan and Vision and the Arcade Street Small Area Plan (see [Attachment E](#))

The Payne-Phalen Community Council supports development opportunities that highlight the walkability of this site, especially because of its proximity to existing and planned high-frequency transit. We are also excited to see infill development on this site and other sites on the Arcade Street corridor, which is set to have traffic calming and other upgrades in the next couple of years.

- Jack Byers, Executive Director of the Payne-Phalen District Five Planning Council



Payne-Phalen
DISTRICT FIVE
PLANNING COUNCIL



SAINT PAUL
PLANNING & ECONOMIC
DEVELOPMENT

For more information, contact:

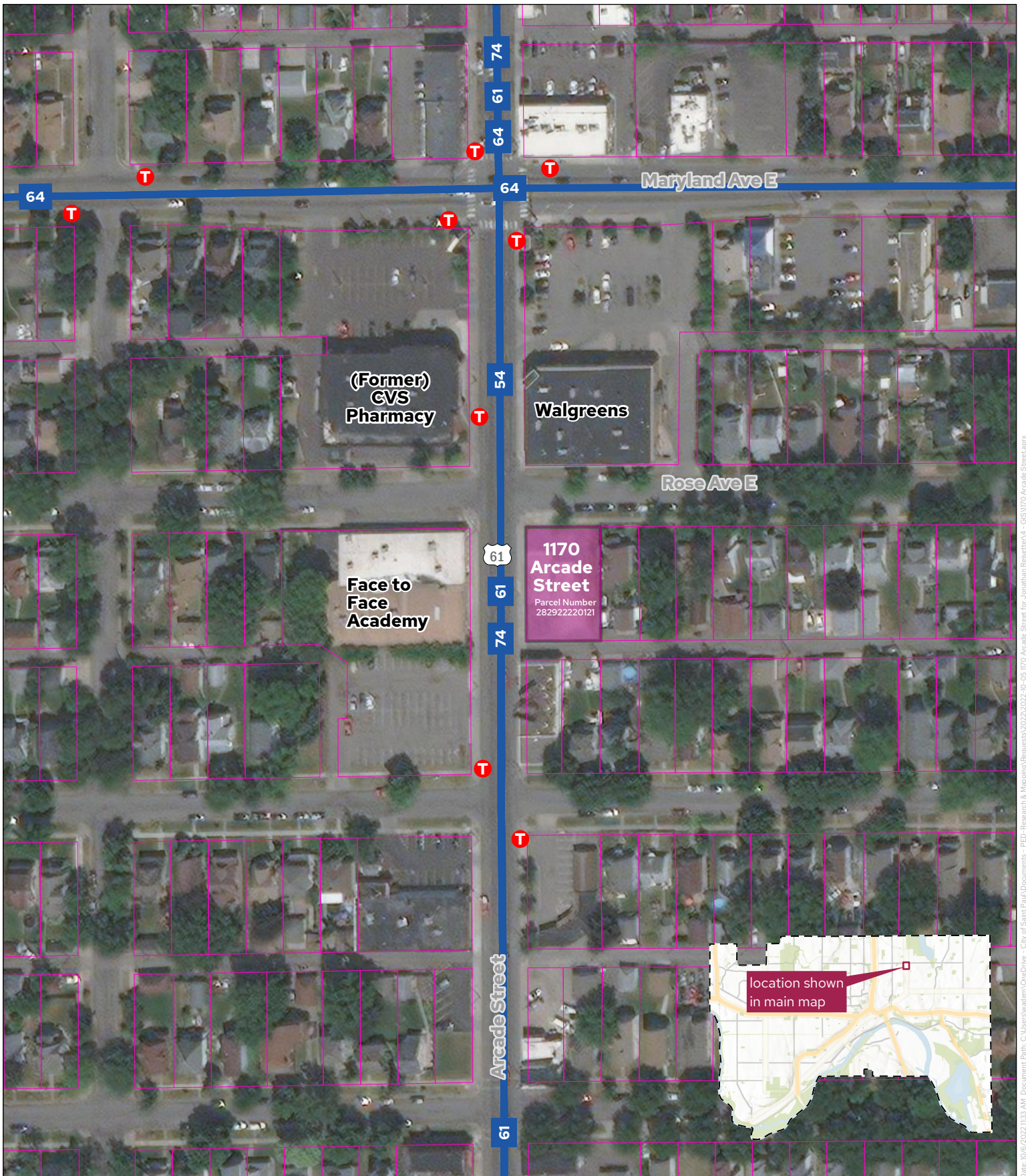
Jonathan Reisetter, Senior Project Manager

651-266-9119

jonathan.reisetter@ci.stpaul.mn.us

Redevelopment opportunity at 1170 Arcade Street

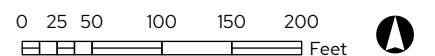
Offered by the Saint Paul Housing & Redevelopment Authority • October 2022



- Subject Parcel
- MetroTransit Bus Routes
- Parcel Boundaries
- MetroTransit Bus Stops



SAINT PAUL
MINNESOTA

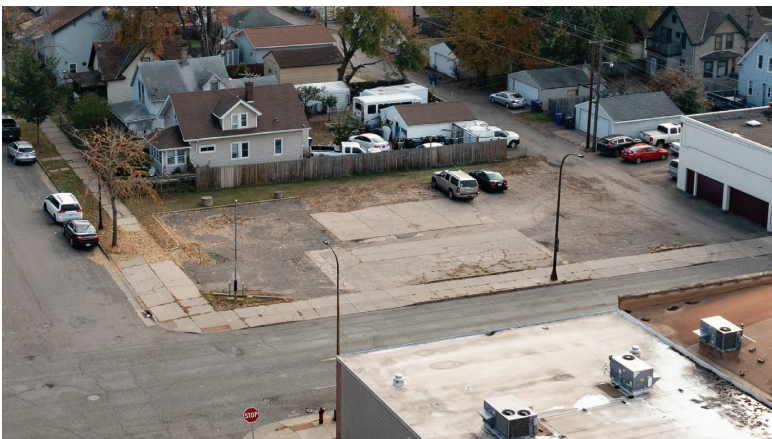


This document was prepared by the Saint Paul Planning and Economic Development Department and is intended to be used for reference and illustrative purposes only. This drawing is not a legally recorded plan, survey, official tax map or engineering schematic and is not intended to be used as such. Data sources: St. Paul Enterprise GIS; bus layers from MetroTransit; ESRI aerial orthoimagery from Maxar and Microsoft.

Date: 10/6/2022 11:33 AM Document Path: C:\Users\wadem\OneDrive - City of Saint Paul\Documents - PID - Research & Mapping\Requests\2022\2022-10-05 1170 Arcade Street for Jonaban Reiser\4 - GIS\1170 Arcade Street.aprx

Lots 14 and 15, Block 8, Eastville Heights, Ramsey County, Minnesota.











Policy and Procedures for Disposition of HRA Owned Real Estate

I. PURPOSE

A. The Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (HRA) is legally permitted to acquire real estate in accordance with a redevelopment plan for the purpose of redeveloping it for residential or commercial uses, or without a redevelopment plan for the purpose of removing blight or for low or moderate income housing. The purpose of this Policy and Procedures for Disposition of HRA Owned Real Estate (Policy) is to provide a uniform and consistent approach for the sale, lease or other disposition of real estate now owned or hereafter acquired by the HRA.

B. In addition to the procedures described in this Policy, there are legal requirements imposed by law on the disposal of HRA owned real estate and these are located in Minn. Stat. Section 469.029 which provides that the HRA can sell or lease real estate without public bidding only after a public hearing, and published notice of the hearing must be given at least 10 days but not more than 30 days before the hearing.

C. This Policy replaces the (a) Disposition Policies and Procedures for Sale of HRA Residential and Non-Residential Land dated March 11, 1980 and (b) Disposition Policies and Procedures Applicable for the Sale of HRA Single and Two Family Lots and Homes for Rehabilitation approved by the HRA Board on March 8, 2000. This Policy does not apply to (i) the disposition of real estate governed by the existing Garden Lease Guidelines adopted by HRA Resolution No. 96-6/26-1, and the Guidelines for Disposition of Splinter Parcels adopted by HRA Resolution No. 93-8/24-2, which two Guidelines remain in effect, (ii) real estate subject to a tentative developer designation or HRA contract existing at the time this Policy is adopted by the HRA Board of Commissioners, (iii) real estate owned by the HRA and used for parking, and (iv) real estate owned by the City of Saint Paul and conveyed to the HRA under City Administrative Code Chapter 51 as a conduit for ultimate transfer to an end user determined by the City of Saint Paul (provided that the HRA will charge a \$500.00 fee plus costs to process each conduit deed). This Policy is not intended to and does not create any legal rights to persons or entities. Any modifications or waivers to the Land Disposition policy requires applicant to demonstrate hardship and requires Board approval.

II. OBJECTIVES

The objectives of this Policy are:

- A. To ensure a consistent, open process by which the HRA sells or releases its real estate for redevelopment.
- B. To maximize the HRA's ability to promote redevelopment opportunities relative to its real estate holdings.

- C. To minimize the level of public investment required to acquire and redevelop real estate in the City of Saint Paul.
- D. To minimize the period of time that real estate is held by the HRA before it is sold or otherwise released for redevelopment.
- E. To maximize the resources available for future real estate acquisition and redevelopment.
- F. To provide equal opportunity for all minorities, women and small businesses to purchase HRA owned real estate.

III. PROCEDURES

A. RFP/RFQ

1. The HRA may solicit development proposals for a particular site through a Request for Qualifications (RFQ) and/or a Request for Proposals (RFP). A RFQ is used to ascertain the qualifications of potential developers. A RFP is used to solicit specific development proposals for a site. The RFQ/RFP will reflect the type of development/developer sought by the HRA, and may specify other parameters as well (e.g. desired timeline for development, remediation requirements, density, affordable housing units, etc.). The RFQ/RFP will be advertised in four locations: (a) on the City's web site; (b) in local newspapers; (c) on the HRA agenda; and (d) on the real estate via a property sign; and notice will be given to the affected district council.

2. HRA staff will evaluate any proposal(s) received under paragraph A(1) above and consider:

- A. The proposed reuse of the property, and the consistency of that reuse with existing or proposed zoning, comprehensive plan and approved small area plans, heritage preservation guidelines, if applicable, and community input of the proposal.
- B. If a housing project, conformity of the proposal with the City Housing Action Plan, including without limitation the achievement of the City's affordable housing goals.
- C. The consistency of the project with applicable City's design guidelines.
- D. The estimated total development cost for the proposed project, including the amount to be paid to the HRA for the real estate and/or additional public investment sought for demolition, remediation, infrastructure, etc.
- E. The estimated time to commence and complete the proposed project.
- F. Achievement of the Objectives of this Policy.
- G. Contribution of the proposal to the tax base of the City.

- H. Experience and qualifications of the developer, including the developer's demonstrated ability to meet equal opportunity/affirmative action employment and contracting goals established by the City of Saint Paul: willingness to provide equal opportunity to minority/women-owned and small businesses; demonstrated past history of providing contracting and employment opportunities for qualified minority and women individuals and minority/owned and small businesses.
- I. Achievement of other public purpose goals.

3. Upon evaluation of all the proposals HRA staff may either reject all the proposals or select one of the proposals that best accomplishes the objectives and goals of this Policy and present that proposal to the HRA Board for its consideration to grant tentative developer status or approval of a memorandum of understanding, development agreement or contract for sale of land for private development.

B. OTHER PROPOSALS

1. As an alternative to receiving proposals through an RFP/RFQ process, the HRA may receive a proposal from a third person or entity to redevelop a parcel of land owned by the HRA.

2. HRA staff will evaluate any proposal under paragraph B(1) using the same criteria as specified in paragraph A(2) above. Upon evaluation of the proposal PED staff may either reject the proposal or if the proposal substantially accomplishes the objectives and goals of this Policy present the proposal to the HRA Board for its consideration to grant tentative developer status or approval of a memorandum of understanding, development agreement or contract for sale of land for private development.

3. At least 45 days before a proposal described in paragraph B (2) above is scheduled for presentation to the HRA, a written notice of the proposal will be sent to the affected district council and will be made available to the general public via the City's web page. This notice will allow the community to provide feedback on the proposed development, and allows for any competing proposals to be brought forward within this 45-day period. If there are comments from the district council and/or competing proposals that are timely sent to the HRA, HRA staff will consider the comments and/or evaluate other proposals and decide whether to either reject all proposals or make a recommendation to the HRA Board of Commissioners for approval of the proposal that best accomplishes the objectives and goals of this Policy.

C. HRA BOARD CONSIDERATION OF PROPOSAL

1. The HRA Board of Commissioners will then review any proposal submitted under paragraphs A (3) or B (3) above and make a determination as to whether the proposer should be awarded tentative developer status, or after a public hearing, be given development rights via a memorandum of understanding, development agreement or contract for sale of land for private development. The designation of 'tentative developer status' means the HRA has tentatively approved of the developer and the project and the HRA will not contract with any other entity for

the real estate while the tentative developer diligently pursues the completion of all conditions attached by the HRA Board in the award of the designation. Typical conditions may include the following: completion of design and architectural drawings of the project, market study, utility plans, environmental investigations, and preparation of remediation plans, securing of financing, and negotiation of development agreement with staff, which agreement is subject to HRA Board approval. The HRA reserves the right to reject any and all proposals to purchase.

2. The proposer will be notified that as a condition of being awarded tentative developer status it will be required to provide to the HRA a non refundable ‘Application Fee’ based on the size of the project as follows:

<u>Estimated total development costs</u>	<u>Application Fee</u>
Under \$250,000	\$500
\$250,000 to \$1 million	\$1,500
Over \$1 million and up to \$5 million	\$2,500
Over \$5 million and up to \$10 million	\$5,000
Over \$10 million	\$25,000

The HRA will retain the Application Fee whether the project is or is not built, and the proposer will not receive any credit for the Application Fee in the sale price of the land. In addition, the proposer may also be required to provide an ‘Expense Deposit’ that be used as a deposit to pay for the cost of outside financial, appraisal and legal advisors employed by the HRA and the actual amount will be determined on a project-by-project basis.

3. Along with tentative developer status or contract rights, the HRA will establish a time limit for (a) tentative status – which can vary, depending on the nature of the proposed project, or (b) completion of the project.

4. If the project proceeds as proposed, the development will ultimately result in closing on a contract for sale, lease or conveyance of the HRA land. All conveyances will be made by Quit Claim Deed, the property will be conveyed in its AS IS condition and buyers may be required to provide an environmental indemnity to the HRA. With respect to the construction of the project, the developer will be required to comply with all laws and regulations and the City of Saint Paul’s affirmative action ordinance (Ch 183 of City’s Legislative Code) and vendor’s outreach program (Ch 84 of City’s Administrative Code). The land reverts back to the HRA if developer fails to timely construct the project. In the HRA Board’s discretion, the land may be sold at its market value or the land value may be written down to an amount needed to fill a financing gap for the project. Staff will obtain an appraisal of the land in any event and the appraisal may be made by two outside appraisers or by staff, depending on the circumstances.

5. If the project does not result in a closing and the tentative developer designation is not extended by the HRA Board, the developer will lose its tentative developer status and HRA’s costs will be paid from the developer’s Expense Deposit and if costs exceed the Expense Deposit the developer will be obligated to pay the difference, and any unspent Expense Deposit will be returned to the developer.

6. The HRA will maintain and make available to the general public upon request a list of all existing HRA owned real estate and a status of those properties (i.e., whether they are subject to a tentative developer designation or a contract with the HRA).

Arcade Street Small Area Plan Summary

Addendum to the Comprehensive Plan for Saint Paul

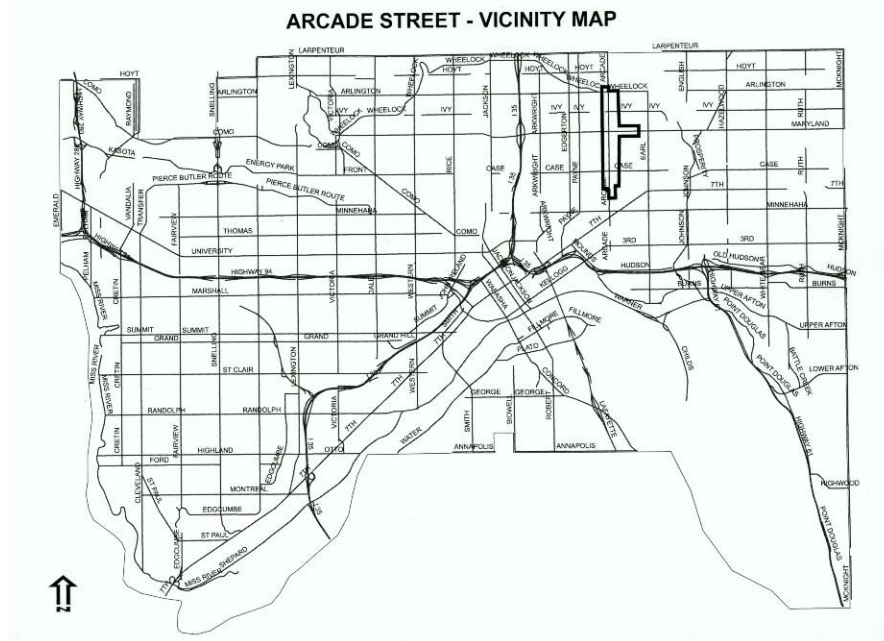
Recommended by the Planning Commission on February 9, 2007
Adopted by the City Council on May 9, 2007

This summary appends to the Comprehensive Plan the vision of the Arcade Street Small Area Plan for revitalization of Arcade Street on the East Side of Saint Paul. Key strategies include:

- *Focusing community-oriented commercial areas at two major intersections, Arcade/Maryland and Arcade/Phalen, where traffic volumes are sufficiently high to support retail businesses that provide goods and services for the surrounding neighborhoods.*
- *Encouraging new development and redevelopment between the Maryland and Phalen intersections, as well as north of Maryland, with the following uses: destination commercial businesses, offices, institutions, light industry and multiple-family housing.*
- *Fostering high-quality design of buildings, sites and public spaces that will be aesthetically pleasing and contribute to making the area feel safe.*

Location

The area addressed in the *Arcade Street Small Area Plan* includes land between the Arcade bridge on the south and Wheelock Parkway on the north, plus Maryland between Arcade Street on the west and Cypress Street on the east.



Framework

Concepts included in the *Arcade Street Small Area Plan* are:

- Community-oriented commercial intended to provide residents in adjacent neighborhoods with goods and services at two commercial nodes, Arcade/Maryland and Arcade/Phalen, which have high traffic volumes.
- New development and redevelopment on Arcade between the community commercial nodes with the following land uses: destination commercial, office, institutional, light industry and multiple family housing. These land uses may be incorporated into a standalone project or into a mixed use project. Such development will take advantage of Arcade Street's location within the region, including proximity to major highways (Interstate 35E and Phalen Boulevard) and to downtown Saint Paul.
- High quality design of buildings, sites and public spaces that will be aesthetically pleasing and contribute to a sense of safety.

The map of proposed land uses, attached, depicts the concepts of community-oriented commercial nodes at Phalen/Arcade and Maryland/Arcade, as well as destination-related uses between the two nodes and north of Maryland.

Recommendations

The *Arcade Street Small Area Plan* includes 39 strategies focused on land use, economic development, housing, site and building design, transportation and streetscape, and public safety. This summary lists the strategies that are the responsibility of City departments to implement.

Land Use

- Concentrate community-oriented commercial uses in two areas – the Arcade/Maryland intersection and along Arcade between Case and the Arcade bridge; encourage businesses that provide goods and services to residents to locate in these commercial nodes.
- Collaborate with the owners of Seeger Square shopping center to secure and maintain tenants that provide goods and services for community residents and that contribute to an economically vibrant commercial node at the Arcade/Phalen intersection.
- Study rezoning of parcels in the Arcade/Maryland node to advance redevelopment goals and opportunities. (The attached zoning map depicts existing zoning. TN2 zoning was adopted for the commercial properties along Arcade and Maryland in 2003. Parcels on the southeast and southwest corners of Arcade/Maryland are currently zoned B2.)
- Conduct a condition survey of buildings on Arcade Street and Maryland Avenue.
- Identify opportunity sites that could be assembled for redevelopment projects; a site assembly program will provide parcels of sufficient size to develop the types of projects identified in this plan. An identified opportunity site may have any permitted use. If a site is identified as an opportunity site, it does not necessarily mean that it will be rezoned.
- Encourage the redevelopment of properties on opportunity sites on Arcade Street between Rose and Case Avenues and between Hawthorne and Nevada Avenues, as well as on Maryland Avenue east of Arcade Street. Redevelopment will include any of the following land uses, either singly or in combination: light industry with a high job component; housing; institutions; and, destination businesses, including commercial offices.

- Prepare a redevelopment strategy that will provide deeper parcels for development.
- Create parking at the rear of buildings along Arcade Street by acquiring parcels behind the commercial frontage, up to 120 feet, and demolishing the buildings on the parcels; install buffers between the parking areas and the adjoining residential areas.
- Continue the façade improvement program, targeting destination commercial and institutional uses; if possible, concentrate rehabilitation loans within single blocks to achieve a greater aesthetic and economic impact.
- Rehabilitate historic buildings in ways that preserve their historic integrity while, at the same time, allows them to function as integral parts of Arcade Street.

Economic Development

- Encourage the development of destination businesses, including commercial offices.
- Encourage the development of institutional uses.
- Collaborate with the Port Authority to encourage the development of job-rich light industry.
- Support the retention of core neighborhood-oriented businesses at the community commercial nodes of Arcade/Maryland and on Arcade between Case and the Arcade bridge.
- Collaborate with the owners of Seeger Square in efforts to revitalize its buildings and site and to strengthen its mix of tenants, as well as to retain a supermarket in the center. Rehabilitation and renovation projects at the shopping center should be consistent with the design standards of the TN district and this plan.

Housing

- Identify specific sites between Nevada and Hawthorne Avenues, and between Rose and Case Avenues, that would be suitable for the development of multiple-family housing, or housing in mixed-use projects with destination commercial or institutional uses on the ground floor.
- Develop new housing that provides a balance between rental and ownership units; new housing will include apartments, townhomes or condominiums.
- Develop new multiple-family housing that provides a range of price options appealing to a wide spectrum of incomes; multiple-family housing includes apartments, townhomes and condominiums.
- Ensure that new housing is consistent with the spirit of the of the City's adopted policy for affordability.
- Ensure that new and rehabilitated housing is designed and constructed according to Traditional Neighborhood design and dimension standards.

Urban Design: Sites and Buildings

- Improve public safety by incorporating Crime Prevention Through Environmental Design (CPTED) principles into new residential and commercial developments, as well as in public spaces.
- Require that projects financed with public funds (i.e., STAR, CDBG, etc.) comply with the design standards in Sec. 66.341 and 66.343.
- Develop a strategy for an incentive program to restore facades in a manner consistent with design

standards in the TN2 district and the design guidelines in this plan; one objective of the strategy should be a program for securing funding for façade restoration.

- Discourage design elements that are not compatible with the spirit and intention of the design standards in Sec. 66.343 of the Zoning Code. This includes bars on windows or doors and chain link fences, unless they are located at the rear of the building and are not visible from the street.
- Fencing. Fencing on commercial properties shall be made of wrought iron, if fencing is used in the project. Fence height shall conform to heights required in City code.
- Signs should be in scale with a pedestrian environment; business signs shall be used to identify the business and businesses should be discouraged from advertising products; locate roof signs parallel to the wall of the building; locate wall signs on the bands of building facades; wall signs should not be used to cover windows or architectural details of the building and should not be painted directly on the wall of the building; use grouped signs to identify multiple businesses; limit the use of projecting signs to no more than one for every 40 feet of lot frontage; and, discourage the use of the following signs – portable signs; pole signs; and banners or signs made of canvas, vinyl or other flexible materials attached to the building.
- Encourage developers to remove billboards and other large advertising signs located on the tops of buildings and other structures as part of any redevelopment or major renovation.

Transportation and Streetscape

- Investigate the installation of turn arrows at the Ivy/Arcade intersection to access Johnson High School.
- Investigate the installation of a left turn arrow from westbound Wheelock Parkway onto southbound Arcade Street, as well as from southbound Arcade Street onto westbound Wheelock Parkway.
- Develop concept plans for curb, sidewalk, bumpout and street lighting improvements and pursue funding for improvements through the Capital Budget Improvement Process; further investigate whether bumpouts are appropriate, given current traffic flow conditions.
- Upgrade the street lighting to twin lantern fixtures.
- Collaborate with Metro Transit to upgrade the bus stops on Arcade Street.

Public Safety

- Improve public safety by incorporating Crime Prevention Through Environmental Design (CPTED) principles into new residential and commercial developments, as well as in public spaces. Projects receiving public funds, either from the City or from community development organizations, will be reviewed for their consistency with CPTED principles.
- Intensify Saint Paul Police Department crime control and prevention measures; specifically, the program for business owners on measures for providing more secure buildings and operating businesses that are less vulnerable to criminal activity.
- Collaborate with taverns and restaurants serving alcoholic beverages to develop a program for dealing with nuisance activities within these establishments, as well as on the street, in the parking lots and on the sidewalks of adjacent neighborhoods.

City Action

To encourage development according to the concepts and recommendations, the priorities of the City should be:

1. Adopt this summary as an amendment to the *Saint Paul Comprehensive Plan*.
2. Adopt zone changes that will encourage development reflecting the concepts in the plan summary.
3. Collaborate with other agencies and community organizations to implement the recommendations in this plan summary.
4. Encourage the continuation of community-oriented commercial uses consistent with the concepts in the plan strategies.
5. Encourage redevelopment of sites consistent with the concepts in the plan strategies.
6. Implement the urban design recommendations as redevelopment occurs.

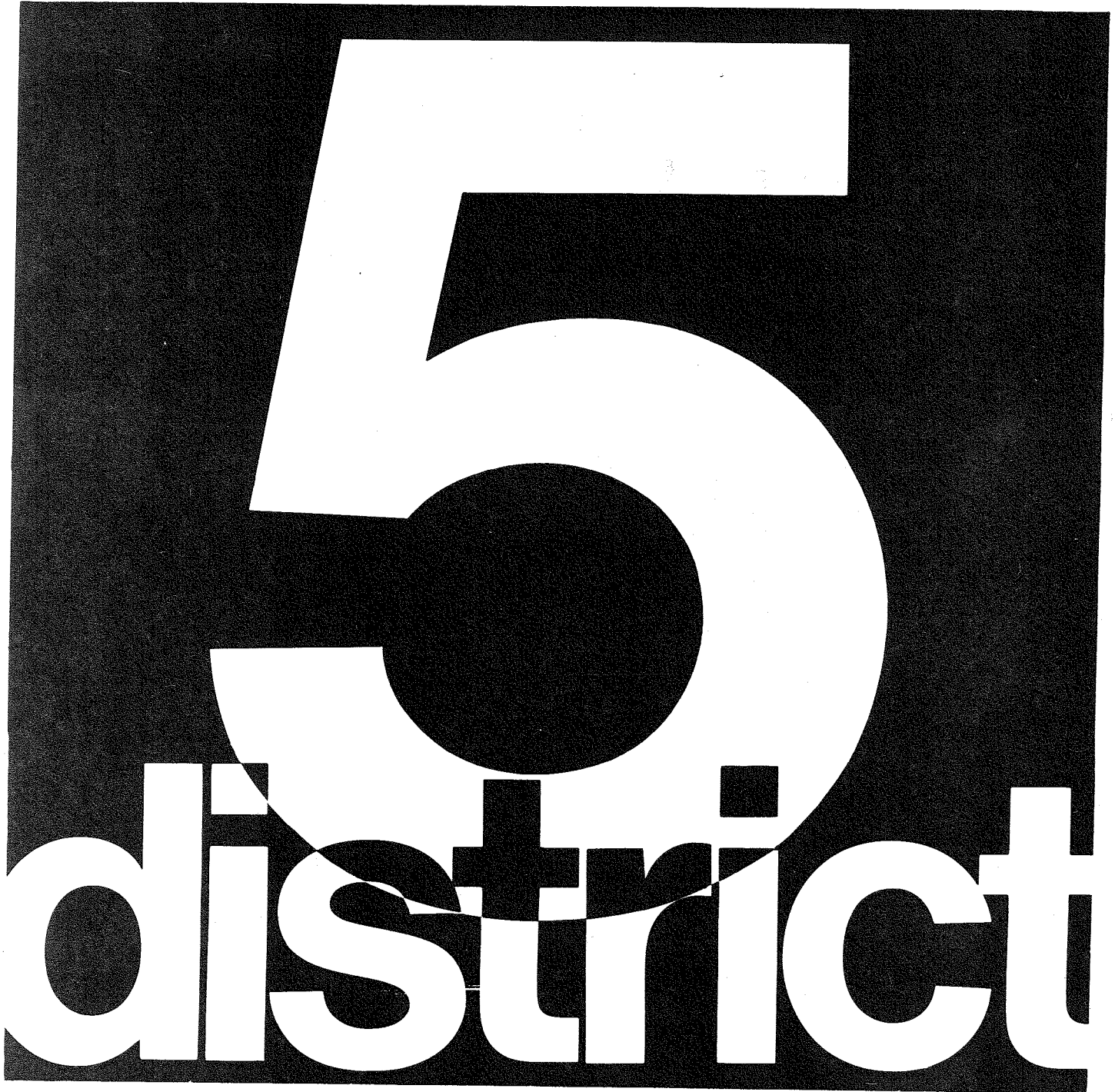
Planning Commission Findings

The Planning Commission finds that the *Arcade Street Small Area Plan Summary* is consistent with the Saint Paul Comprehensive Plan and other adopted City policies.

Planning Process

The Planning Commission on October 5, 2001, initiated preparation of the small area plan and a 40-acre zoning study for the study area. A community-based task force comprised of representatives of the district council, business owners and representatives of community organizations and institutions was formed to prepare the small area plan and consider zoning options. Zone changes recommended in the 40-acre study were adopted by the City Council and signed by the Mayor; they became effective in December 2003. The Planning Commission held a public hearing on the summary of the Arcade Street Small Area Plan on January 12, 2007, and recommended adoption of the plan summary on February 9, 2007. The City Council adopted the plan summary on TO BE COMPLETED.

DISTRICT 5 PLAN



DIVISION OF PLANNING
DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT
CITY OF SAINT PAUL
CITY HALL ANNEX
25 WEST FOURTH STREET, SAINT PAUL, MINNESOTA 55102
TELEPHONE: 612-298-4151

PLAN BRIEF

PAYNE-PHALEN DISTRICT 5 PLAN

PREMISE

NEIGHBORHOOD ORGANIZATIONS, LOCAL BUSINESSES AND THE CITY have worked together to prepare this plan. Their continued cooperation will make it possible to build on the strengths of the Payne-Phalen area, so that it will continue to be a good place to live, to work, and to do business. Conclusions about community needs and concrete proposals for meeting those are contained in the District 5 Plan.

MAIN POINTS

1. THE PAYNE-PHALEN COMMUNITY is part of St. Paul's East Side and consists of generally well-kept, cohesive neighborhoods with a strong economic base created by local business and industry.
2. OLDER, LOW AND MODERATE INCOME NEIGHBORHOODS are in the southern part of District 5, while the newest areas are in the north central portion. Many large, stately old homes surround Lake Phalen.
3. PAYNE-PHALEN HAS A TRADITION of strong grass roots participation, and this has held true for the District 5 Planning Council.
4. PUBLIC INVESTMENT IN STREETS, SEWERS, AND COMMUNITY FACILITIES should be used to increase confidence in Payne-Phalen neighborhoods. Before deciding to build new facilities, the city should make sure that existing facilities are being used to their maximum.
5. MOST OF DISTRICT 5'S HOUSING STOCK is in good condition. Continued small-scale private investment in rehabilitation and renovation will keep the neighborhoods stable, pleasant, and in good repair for many years to come.

RECOMMENDATIONS

1. THE MARYLAND AVENUE STUDY should determine how Maryland Avenue can function more efficiently with its existing large volume of traffic.
2. RAILROAD ISLAND, ALSO KNOWN AS PAYNE-MINNEHAHA, is the oldest neighborhood in District 5 and is rich in history. The neighborhood and the city should work together to plan street and sewer improvements, traffic and circulation, and housing improvements which are sensitive to the historic character of the area.

3. THE OLD GILLETTE CHILDREN'S HOSPITAL BUILDING AND GROUNDS present a unique opportunity for the city and for District 5. The District 5 Planning Council should play a central role in determining its reuse.
4. THE ARLINGTON HILLS BRANCH LIBRARY BUILDING should be replaced only if the community deems it necessary and no appropriate existing building can be found.
5. THE CITY AND COUNTY SHOULD ACT TO REDUCE POLLUTION IN LAKE PHALEN. Better security is needed to protect the newly redesigned Phalen Park and those who wish to use it.
6. THE WHEELLOCK-ARKWRIGHT AREA, IN THE NORTHWEST CORNER OF DISTRICT 5, needs improved sewers and utilities to serve existing homes and new apartment developments. A land use study should be done there to determine how to make multi-family developments more compatible with the existing single family neighborhood.
7. THE DISTRICT 5 PLANNING COUNCIL AND THE CITY should assist businesses and industries to stay in District 5.
8. THE HUMAN SERVICES NEEDS ASSESSMENT should be used to plan for meeting human services needs in District 5.
9. CRIME PREVENTION is needed in the Payne-Phalen area, in the form of resident participation in Operation ID, the Neighborhood Assistance Officer program, and installing adequate security devices in homes. A youth employment assistance program would also be helpful.
10. THE CITY SHOULD CONTINUE ITS COMMITMENT TO REINVESTMENT IN HOUSING through rehabilitation grants and low interest loan programs.

GENERAL DISTRICT PLAN
FOR DISTRICT 5

PRELIMINARY PLAN
78-205 SWP-02
AUGUST, 1978

PLANNING DIVISION
DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT
421 WABASHA
ST. PAUL, MINNESOTA 55102

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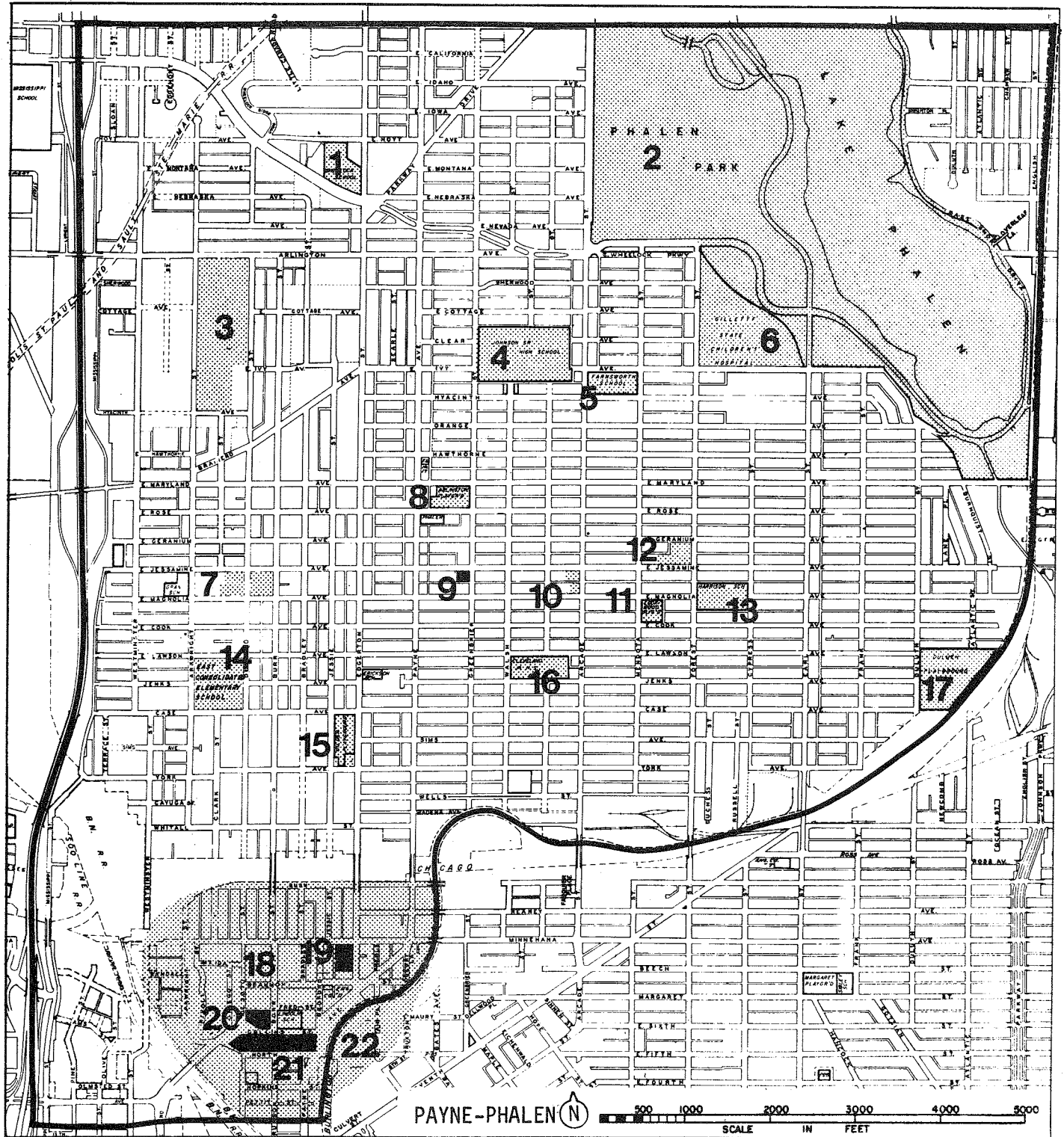
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FIGURE 1-1

DISTRICT 5 COMMUNITY FACILITIES AND LANDMARKS



- | | | |
|----------------------------------|--|---------------------------------|
| 1 WHELOCK PRIMARY SCHOOL | 8 ARLINGTON PLAYGROUND | 15 WILDER PLAYGROUND |
| 2 PHALEN PARK | 9 ARLINGTON LIBRARY | 16 CLEVELAND JUNIOR HIGH SCHOOL |
| 3 ARLINGTON ARKWRIGHT PLAYGROUND | 10 YMCA | 17 DULUTH PLAYGROUND |
| 4 JOHNSON HIGH SCHOOL | 11 LOCKWOOD PLAYGROUND | 18 RAILROAD ISLAND |
| 5 FARNSWORTH ELEMENTARY SCHOOL | 12 ST. CASIMIR'S SCHOOL | 19 MERRICK CENTER |
| 6 OLD GILLETTE HOSPITAL | 13 PHALEN LAKE SCHOOL | 20 LAFAYETTE PLAYGROUND |
| 7 ST. PATRICK'S SCHOOL | 14 EAST CONSOLIDATED ELEMENTARY SCHOOL | 21 HIGHWAY 212 SITE |
| | | 22 SWEDE HOLLOW PARK |

1.0 INTRODUCTION

1.1 USING THIS PLAN

The purpose of this plan is to clearly establish the goals of the Payne-Phalen community and to guide public and private investment in the area. This document states goals, proposals, and background information for the community's physical, social and economic development. A longer document, entitled District 5 Background Report, contains more information and summarizes data used to make decisions about goals and proposals. The Background Report can be obtained from the City Planning Division, 421 Wabasha, 298-4151.

1.2 HISTORICAL BACKGROUND

1.2.1 EARLY DEVELOPMENT

Located to the east of the central business district are the two neighborhoods which comprise Saint Paul's near East Side. Physically separated by Phalen Creek, both the Payne/Phalen and Dayton's Bluff/Mounds Park communities date back to the mid-1800's. The part of Payne-Phalen closest to downtown, nicknamed Railroad Island, was the site of the earliest development in the area. Today Railroad Island contains some of the oldest homes in Saint Paul, rich in architectural and historic character.

Housing development in the Payne/Phalen area generally expanded outward from Railroad Island. The dominant period of construction for Railroad Island was pre-1885, the area between Maryland and Arlington 1900-1939, and the area north to Larpenteur after 1940. Residential construction is still occurring in the northwest corner of the district.

1.2.2 ETHNIC HISTORY

Ethnic groups played a very important role in the development of the Payne/Phalen community. Railroad Island and Swede Hollow saw a succession of immigrants occupy these two neighborhoods, then move on.

Swede Hollow, located in a stream valley just to the east of Railroad Island, offered immigrants shelter and nearby jobs. In the mid-1870's and 1880's Swedish immigrants populated its valley. Around 1890, an influx of Irish laborers changed the composition of the population slightly.

At the turn of the century, many residents of Swede Hollow finally could afford to build new homes. They moved north to the Phalen area, while Italian immigrants settled in the Hollow. The same events occurred in Railroad Island, and by the beginning of the 1900's the

neighborhood had taken on a distinctively Italian character.

The Phalen area experienced rapid growth due to the people moving north. At the turn of the century over 60% of the population was of Swedish descent. Residents of this area were generally white collar workers, many of whom owned small businesses. Their modest prosperity was reflected in the character of their homes.

The strong ethnic roots that were present during the early development of the district are still strongly felt today. Celebrations such as the bocce ball tournament in Railroad Island, the Polish Days celebration on Arcade Street, and the Syttende-Mai celebration (Norwegian Independence Day) on Payne Avenue show that District 5 residents are very proud of their heritage.

T.3 PAYNE-PHALEN IN THE 1970'S

T.3.1 POPULATION

The population of Saint Paul nearly doubled between 1900 and 1960, with a rapid rate of growth immediately following 1900 and a sharp decline in the rate of growth between 1950 and 1960. District 5 is one of the few areas of the city whose population has increased since 1960.

District 5 has the largest population of the 17 districts, nearly 10 percent of the City's total. The district grew from 28,671 people in 1960 to 29,521 in 1970, an increase of three percent, while the City experienced a decline.

A breakdown of age groups shows that District 5 corresponds closely to the makeup of the City. The only major discrepancy occurs in the southern portion of the district, in an area referred to as Railroad Island. Between 1960 and 1970, its over 65 population jumped by over 24 percent.

T.3.2 HOUSING

Over 90% of the housing in District 5 is in very good conditions. The area is composed of distinctive neighborhoods, some of which are rich in architectural and historical character. The housing stock in the Payne-Phalen area is one of its strong points and will play an important role in the future of Saint Paul.

Owner occupancy is often used as a measure of neighborhood stability, since owner-occupants tend to be more concerned about the attractiveness and livability of

their properties. The rate of owner-occupancy in Payne-Phalen far exceeds the City as a whole. Payne-Phalen has nearly 90%, compared with 50% for the City. Many blocks in the area are 100% owner-occupied.

1.3.3 EDUCATION

District 5 residents have completed less schooling than the average City of Saint Paul resident. This discrepancy, however, is slowly being reduced. Between 1960 and 1970, the educational levels of District 5 residents have increased at a greater rate than those throughout Saint Paul. Today, area residents are near the average educational levels present in the city.

1.3.4 INCOME

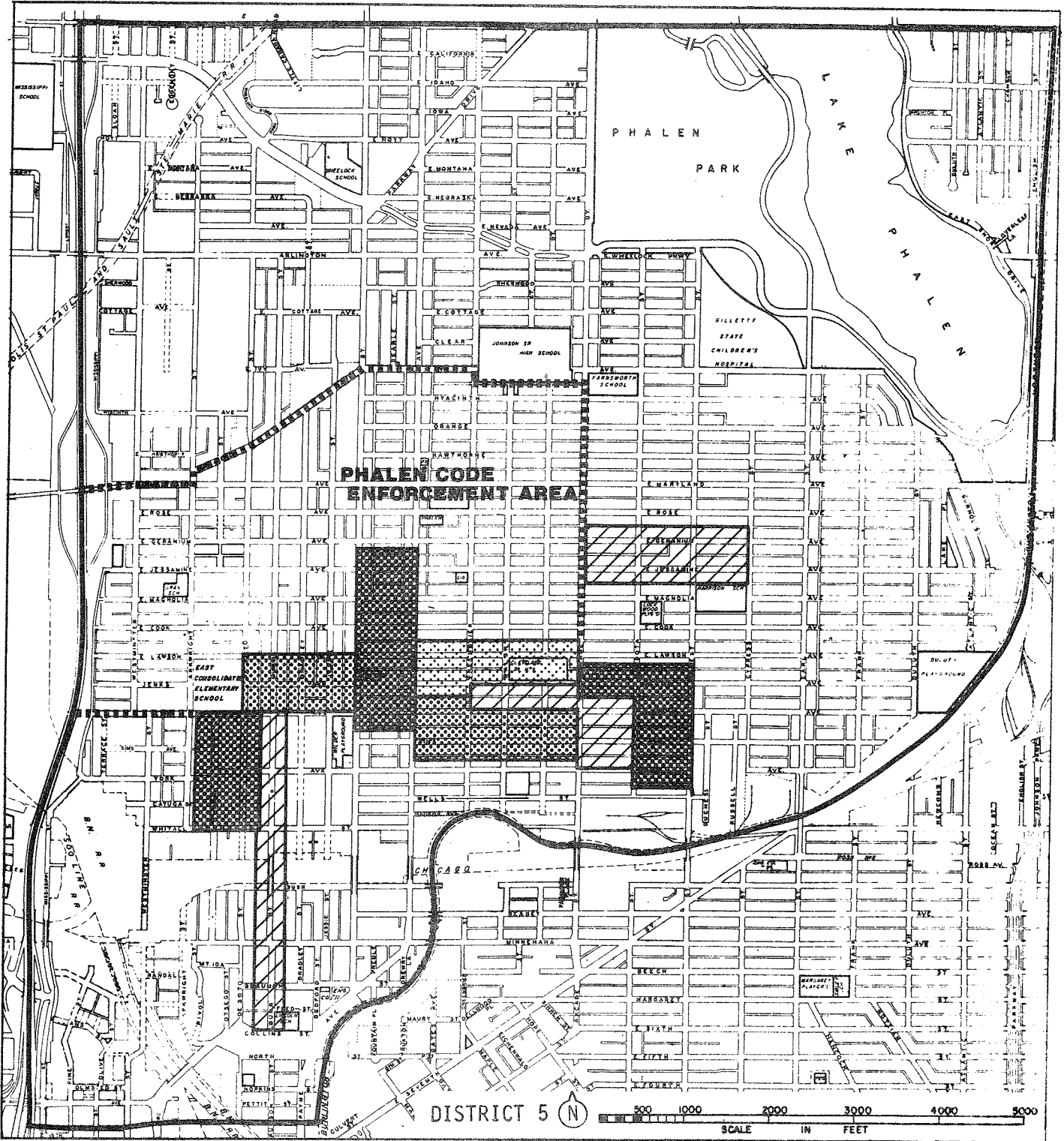
The average family income in District 5 has increased substantially in recent years, reflecting the increase in the cost of living. In 1974, household income for District 5 was estimated to be about \$11,400. In comparison, the city-wide average in 1974 was approximately \$12,000.





1.3.5 CONCLUSION

The Payne-Phalen area is an attractive community with a stable population and a strong economic base. It has a history of grass roots citizen participation resulting in effective community organizations which have solved many neighborhood problems. The area has its share of difficulties associated with being an older part of a large city, but its many assets are valuable resources to help overcome those difficulties.

FIGURE 2-1

PRIORITY ITA AREAS



-  "A" PRIORITY ITA'S
-  "B" PRIORITY ITA'S
-  "C" PRIORITY ITA'S
-  EXISTING ITA'S

2.0 PHYSICAL DEVELOPMENT PLAN

2.1 HOUSING

2.1.1 GOAL

The Payne-Phalen community will work to maintain and improve the existing housing stock and to add new housing units in order to provide safe, sound, housing for all its residents.

2.1.2 PROPOSALS

The District 5 Planning Council and the city should implement the Residential Improvement Strategy in District 5. The following should be the first priorities.

1. Six priority Identified Treatment Areas are proposed for the Improvement I and II areas in District 5. See Figure 2-1 for locations. In the course of the Railroad Island study, one or more ITA's may be identified; if so, they would have to be included in these priorities when the study is completed.
2. A planning study of Improvement III areas is needed to determine future directions for these neighborhoods. The Improvement III areas located within Railroad Island are being looked at in detail through the Railroad Island study currently in progress.
3. All residential improvement programs being used within District 5 shall be regularly evaluated by the City and the Payne-Phalen community. Programs will then be altered if necessary.

HOUSING CONDITIONS

2.1.3 BACKGROUND INFORMATION

There are 6872 residential structures in District 5, with about 90% considered (by exterior survey) in sound condition or in need of only minor repairs. The other 10% are rated as in need of major repairs or substandard. This shows a relatively stable residential environment but with a definite need for rehabilitation.

The poorest building conditions occur in the southern one-third of the district, while the best conditions exist in the northern one-third.

The most deteriorated housing area is located between Arcade and Edgerton, south of Case Avenue to the railroad lines.

DENSITY

The southern half of the district has a high housing unit per acre density. According to the 1970 census, the area bounded by Edgerton, Case, Arcade and Ivy has 6.9 housing units per acre. The Phalen Park area, excluding the park itself, has about 3.4 units per acre.

The reasons for such extreme density differences are 1) the area north of Maryland Avenue consists of new single family housing located on large lots, 2) this area has many large undeveloped parcels of land adjacent to 35E, 3) the southern half of the district consists of older housing units, many of which contain multiple units, and 4) the lot sizes in this area are small.

High densities, such as those in the area bounded by Case, Edgerton, York and Arcade, often compound other problems such as parking and traffic.

The Railroad Island neighborhood and the northwest corner of District 5 contain large undeveloped areas that will have a great effect on future densities, depending upon how they are developed.

A large majority of the residential structures in the district are of the single-family type.

The southern part of the district contains the largest concentration of multi-family residential structures.

AGE About 65% of the housing units in District 5 were built before 1939. The southern portion of the district, the Railroad Island area, has some of the oldest housing units in the city, built as early as the 1850's.

VALUE Median housing values in District 5 are somewhat lower than those for the entire city. This means that Payne-Phalen is a source of reasonably-priced homes still within the reach of families with modest incomes.

OWNER OCCUPANCY About 90% of the residential structures in District 5 are owner-occupied. In the Railroad Island neighborhood, about 60% of the structures are owner-occupied. The city average is a little over 50%.

IMAGE Because of the relatively early development of most of the Payne-Phalen community, the image projected by the central and southern areas of the district is one of older, well-built and generally well-kept homes. There is some deterioration in the areas south of Case Street.

The image of the area along 35E is changing from a mixture of small older homes and vacant property to one of apartment structures.

Lower Payne Avenue acts as a gateway into the Payne-Phalen community. The image projected here is one of older residential and commercial structures. Payne Avenue is a thriving commercial area, in need of some

physical improvements, especially south of Minnehaha.

STRATEGY AND PROGRAMS

The goals and objectives of the Residential Improvement Strategy are compatible with the District 5 goal of improving the existing housing stock.

Treatment areas similar in concept to those outlined in the RIS are included in this plan. These strategy areas should respond to the specific characteristics of the district, and should be used to update the treatment areas outlined in the RIS.

Within Identified Treatment Areas (ITA's) there are some programs available to increase the effects of rehabilitation in a small area. District 5 currently has three ITA's.

The city-wide loan and grant program has been widely used in District 5, with well over 350 applicants in 1975 and 1976.

RESIDENTIAL IMPROVEMENT STRATEGY

District 5 was divided into treatment areas based on housing conditions and other neighborhood characteristics. These are descriptions and strategies for each area.

CONSERVATION I

CONSERVATION I AREAS

In these areas, less than 1% of the residential structures are classified as substandard, with well over 90% of the structures being in sound condition. These residential areas are stable.

OBJECTIVE: Maintain the sound condition of these areas.

STRATEGY: Surveillance

- . Periodic windshield inspection to detect early signs of deterioration.
- . Assistance as required to encourage adequate home maintenance.
- . Systematic upgrading of streets, sidewalks and other public facilities as required and as possible.

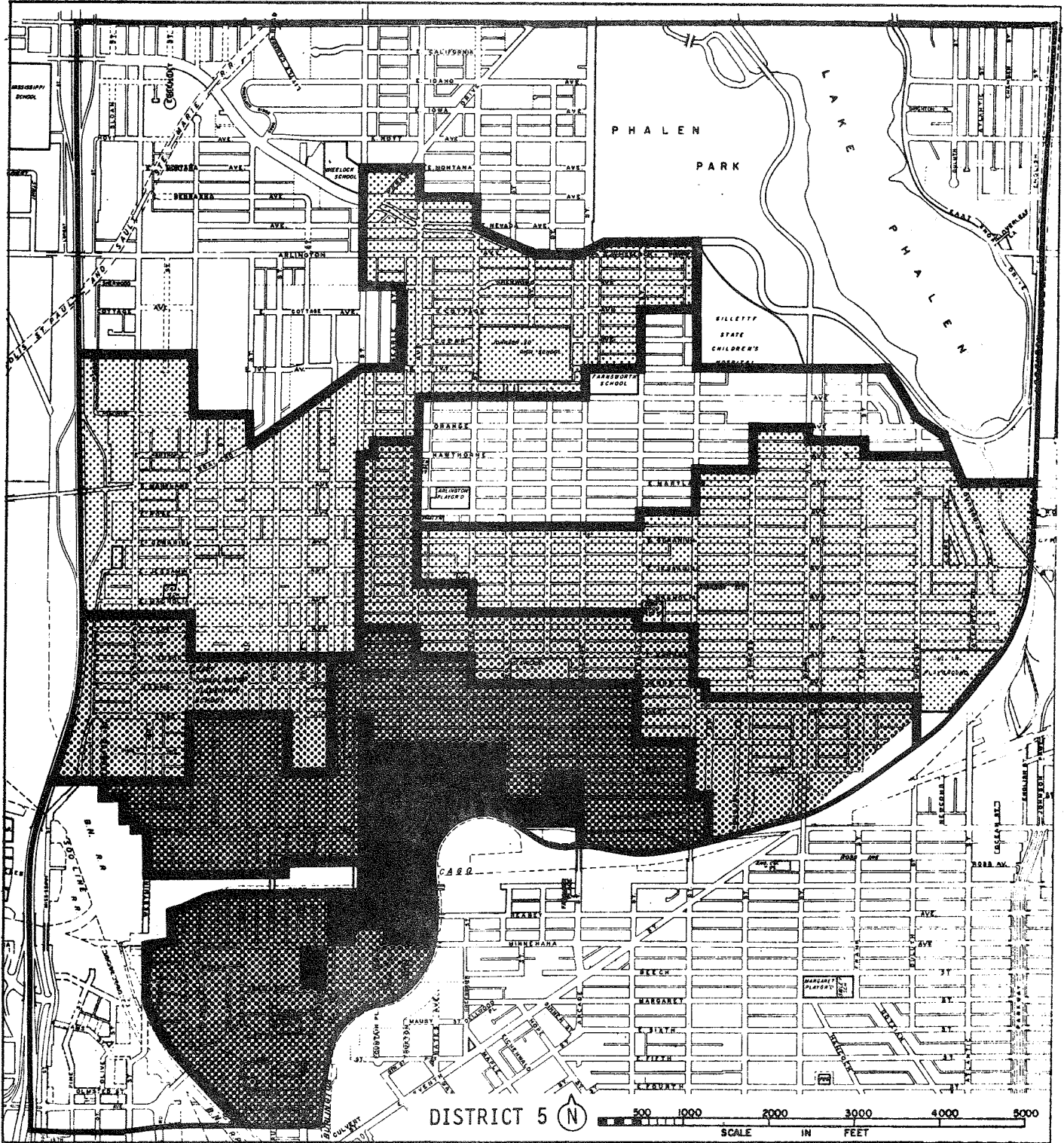
CONSERVATION II






CONSERVATION II AREAS

In these areas, between 1% and 9% of the residential structures are classified as substandard, with over 65% of the structures being in sound condition. These areas are stable to transitional in nature, with a wide variation of population turnover, owner occupancy rates, and average household incomes.

FIGURE 2-2

RESIDENTIAL IMPROVEMENT STRATEGY



-  CONSERVATION I
-  CONSERVATION II
-  IMPROVEMENT I
-  IMPROVEMENT II
-  IMPROVEMENT III

OBJECTIVE: Arrest the process of deterioration, maintain sound condition.

STRATEGY: Intensive Maintenance

- . Windshield inspection as required to further determine code enforcement needs.
- . Systematic code enforcement efforts where feasible with priority in areas most threatened by early signs of deterioration or adjacent to areas of greater deterioration.
- . Assistance as required to encourage adequate home maintenance.
- . Systematic upgrading of streets, sidewalks and other public facilities as required and as possible.

IMPROVEMENT I

IMPROVEMENT I AREAS

In these areas, between 10% and 20% of the residential structures are classified as substandard, with over 50% of the housing units being in sound condition. These areas are transitional.

OBJECTIVE: Complete required improvements on private properties and public facilities to provide sound housing and eliminate environmental deficiencies.

STRATEGY: Rehabilitation

- . Continue rehabilitation in small project areas (ITA's).
- . Encourage private lending institution support on a project basis as in Neighborhood Housing Services and Community Housing Corporation projects.
- . Initiate measures to improve property maintenance, particularly as follow-up to rehabilitation activities.
- . Continue the completion of needed street and related improvements in conjunction with concentrated residential rehabilitation efforts.

IMPROVEMENT II

IMPROVEMENT II AREAS

In these areas, between 20% and 50% of the residential structures are classified as substandard, with over 30% of the housing units being in sound condition. This area is typically transitional to spot deterioration.

OBJECTIVE: Complete required improvements on private properties and public facilities to provide sound housing and eliminate environmental deficiencies.

STRATEGY: Rehabilitation

- . Undertake rehabilitation in small project areas where all major blighting influences can be eliminated with available program measures.
- . Initiate measures to improve property maintenance, particularly as follow-up to rehabilitation activities.
- . Continue the completion of needed street and related improvements in conjunction with concentrated residential rehabilitation efforts.

IMPROVEMENT III

IMPROVEMENT III AREAS

In these areas, over 50% of the residential structures are classified as substandard, with less than 30% of the housing units being in sound condition. This area is generally deteriorated.

OBJECTIVE: Ensure reasonably adequate living conditions for present residents; accomplish improvement through rehabilitation where feasible and appropriate and program redevelopment where necessary and when it is possible.

STRATEGY: Major Neighborhood Improvement

- . Provide rehabilitation assistance as required to correct hazardous conditions.
- . Program needed clearance and redevelopment as it becomes feasible.
- . Identify possibilities for effective restoration or rehabilitation which might exist and program required rehabilitation activity.
- . Implement or continue needed social service and economic development functions to expand opportunities for residents.
- . Identify stable social communities and explore means for the accomplishment of needed physical improvements with minimal social disruption.

2.2 TRANSPORTATION

2.2.1. GOALS

1. To see that District 5 streets are paved and maintained and that they are adequate to serve the functions and traffic volumes for which they are intended.
2. To assure traffic safety for motor vehicles, bicycles, and pedestrians.
3. To minimize the impact of truck and other vehicular traffic and parking on residential areas.
4. To provide for adequate public transportation; and to encourage the use of buses, car and van pools and other alternatives to autos, in order to conserve energy and minimize the need for new roadway construction.

2.2.2 PROPOSALS

STREETS

1. District 5 and the city should prepare a capital improvement plan for the district which would identify and prioritize all street and sewer improvements needed. Street improvements which are made before this plan is completed should be done in the area south of Maryland and east of Arcade.

MARYLAND AVENUE

2. A study of Maryland Avenue is needed. The purpose of the Maryland Avenue study is to recommend ways to reduce traffic and to make the intersections operate more efficiently.
3. District 5 opposes the widening of Maryland Avenue. District 5 and the cities of Saint Paul and Maplewood should evaluate the proposal to extend Larpenteur around the north portion of Lake Phalen. East Como Boulevard, if constructed on the proposed route, could provide a good east-west route with a minimum of disruption. The city should proceed with the preliminary design and engineering for East Como Boulevard, and should involve the District 5 Planning Council in its decisions.

LAFAYETTE-COLLINS

4. If East Como Boulevard is constructed and becomes a minor arterial, through traffic could be routed around Railroad Island and Collins Avenue should serve as a low volume collector street.
5. The city should drop its proposal for connecting University Avenue with Mounds Boulevard through Railroad Island. The Payne-Minnehaha Community Council and the District 5 Planning Council are opposed to this proposal because of its high cost and because it would be

disruptive to the neighborhood. East Como Boulevard could serve nearly the same function and is a much better east-west route location.

6. There was a proposal to realign Arcade Street south of Case, to provide two full lanes going each way. The District 5 Council eliminated the proposal because it would require acquisition of key commercial establishments. The district planner's comment was that Arcade functions adequately with present traffic volumes. However, if it were expected to function as a minor arterial, traffic would increase and some solution to the narrow right-of-way south of Case would be needed.
7. District 5 contains many heavily travelled streets that have high accident counts at key intersections. A systematic study of each of these intersections should be undertaken by the City, identifying ways of reducing accident counts such as improving visibility, better signage, elimination of curb-cuts near the intersections.
8. Many streets in District 5 receive financial aid from either the county, state or federal government. The guidelines under which funds are allocated should be altered so that these streets can be improved according to their specific functions.
9. Bus route #2 should be extended south along Westminister Street to Maryland Avenue. Public transportation should be used as a long-range solution to District 5's traffic congestion.
10. Special transportation services to low income, elderly and handicapped persons should be expanded. MTC's Project Mobility could help with this.
11. The truck route designation on Payne Avenue should be changed to allow only service vehicle usage. Arcade Street would then be the only north-south truck route through District 5.
12. The Payne Arcade commercial study started in 1976 should be finished. Included within this study should be a parking plan for both streets, exploring efficient use of existing parking lots, potential new lots, and better ways of incorporating these lots into the commercial areas.
13. District 5 endorses the city's Bike Report but would like to see the following recommendations added:

downtown.

- A separate bike path should be constructed as soon as possible along the west side of Johnson Parkway between Maryland and Seventh Street.
- Traffic safety for bicycles needs to be improved at the intersection of Arcade and Wheelock.
- Permanent bike racks should be provided along Payne Avenue and Arcade Street near concentrated commercial areas.

2.2.3 BACKGROUND INFORMATION

The Payne-Phalen community plays an important role in the transportation system for the City of Saint Paul and the surrounding suburbs, with many major routes passing through the area. Increasing traffic volumes, poor street conditions, and rumors of new highways have created a negative community attitude. Planning to alleviate some of the existing transportation problems in District 5 must be based upon an evaluation of existing conditions and projected future traffic flows and volumes.

TRAFFIC VOLUMES

Traffic volumes in District 5 have steadily increased. Residents have adopted a strategy of maintaining and improving existing streets plus project planning for problem areas.

MARYLAND AVENUE

Maryland Avenue, the most heavily travelled street in the District, is the only through east-west street. Some of Maryland Avenue's problems are the extremely high accident count, intersections operating at or beyond capacity, many commercial uses on the street, and the narrow street width which cannot easily be changed.

The Street and Highway Plan proposes several possible ways to alleviate congestion on Maryland Avenue. One is to widen Maryland. The District opposes such a move. Another is to extend Larpenteur around the north of Lake Phalen, using Frost Avenue, thus avoiding residential acquisition. East Como Boulevard, a proposal for a route extending Como Avenue east from Pennsylvania via the railroad right-of-way is another alternative.

East Como Boulevard has the advantage of requiring little, if any, residential acquisition, routing traffic around Railroad Island, and being constructed along what is already a boundary between neighborhoods. One problem it might encounter is the possible difficulty of obtaining right-of-way from the railroads. Also, the route ends at

Johnson Parkway at which point other east-west streets would have to carry the traffic.

In the immediate future, project planning should be done to reduce the number of intersections, improve visibility, reroute conflicting traffic types, and restrict uses that generate more traffic.

PUBLIC TRANSPORTATION

Frequent and accessible bus service is available to almost every neighborhood in the Payne-Phalen area, the only exception being the northwest corner of the District. This apartment complex area should have better bus service.

Special transportation services to the elderly and handicapped are in great demand. These services should be expanded.

TRUCK ROUTES

Payne, Arcade, and Maryland are designated truck routes. Two parallel truck routes such as Payne Avenue and Arcade Street are unnecessary. Payne Avenue should be restricted to service vehicles only and more off-street loading areas provided.

Many problems exist in the "all vehicles permitted" areas in the industrial southern portions of the District. These conflicts can be resolved only after a thorough study of the land use and zoning issues in these areas.

Poor signage and lack of enforcement of truck routes result in truck traffic throughout residential areas.

STREET CONDITIONS

In general, all oil based streets in the District are in need of replacement, while the paved streets (about 40% of all streets) are in fair to good driving condition, needing only maintenance. The area south of Maryland and east of Arcade should be the highest priority area for a street paving program.

Upgrading of curbs and gutters, sidewalks, boulevards and lighting, should be coordinated with systematic street paving. Alley upgrading should continue to be done on a petition basis with encouragement given to proposed paving areas.

PARKING

Four areas (two along Payne Avenue and two along Arcade) have concentrated commercial development, overloading both on street and off-street parking. Further study to determine parking needs and potentials in these areas is needed. This study should explore efficient use of existing parking lots, potential new lots, and ways of incorporating these lots into the commercial areas. Existing and new off-street parking facilities could serve as attractive buffers between commercial areas and adjacent residential uses.

EXISTING AND PROPOSED
STREET CLASSIFICATIONS

The information in the map and chart below is from the city's draft of its Street and Highway Plan. It was used to draw conclusions about transportation issues in District 5.

STREET CLASSIFICATIONS, AID SOURCES, AND TRAFFIC VOLUMES

Street Name	Existing Classification	Proposed Classification	Aid Source	Traffic Volume
Interstate 35-E	Principle Arterial: Connects Metro Area w/ out-of-city areas, 4-8 lanes, 20,000-100,000 average daily traffic (ADT)	Same	Federal	Heavy traffic. South of Maryland an estimated 90,000 ADT capacity is 100,000
Larpenteur Avenue	Minor Arterial A: Connects sub-areas of metro area; 4-6 lanes, 10-50,000 ADT	Same	Municipal State Aid (MSA)	Quite adequate to handle existing traffic (actually functions as a collector)
Maryland Avenue	Minor Arterial B: Connects adjacent sub-areas; 4-6 lanes 10-30,000 ADT	Same	County State Aid (CSA)	Overloaded. Handling 20,000 ADT with only 4 lanes. Results in heavy congestion.
Arcade Street (Trunk Highway 61)	Arterial B	Same	Federal Aid	Somewhat congested, South of Case may be a problem in the future due to narrow R.O.W. width.
Arkwright Street, Case to Maryland	Collector: Connects communities and neighborhoods; 4 lanes, 1-15,000 ADT	Same, but from Case to Arlington	MSA	OK
Arlington Avenue	Local Street: Provide access for residents & service vehicles; 2 lanes, 500-1500 ADT	Collector, 35-E to Payne	MSA	OK

STREET CLASSIFICATIONS, AID SOURCES, AND TRAFFIC VOLUMES

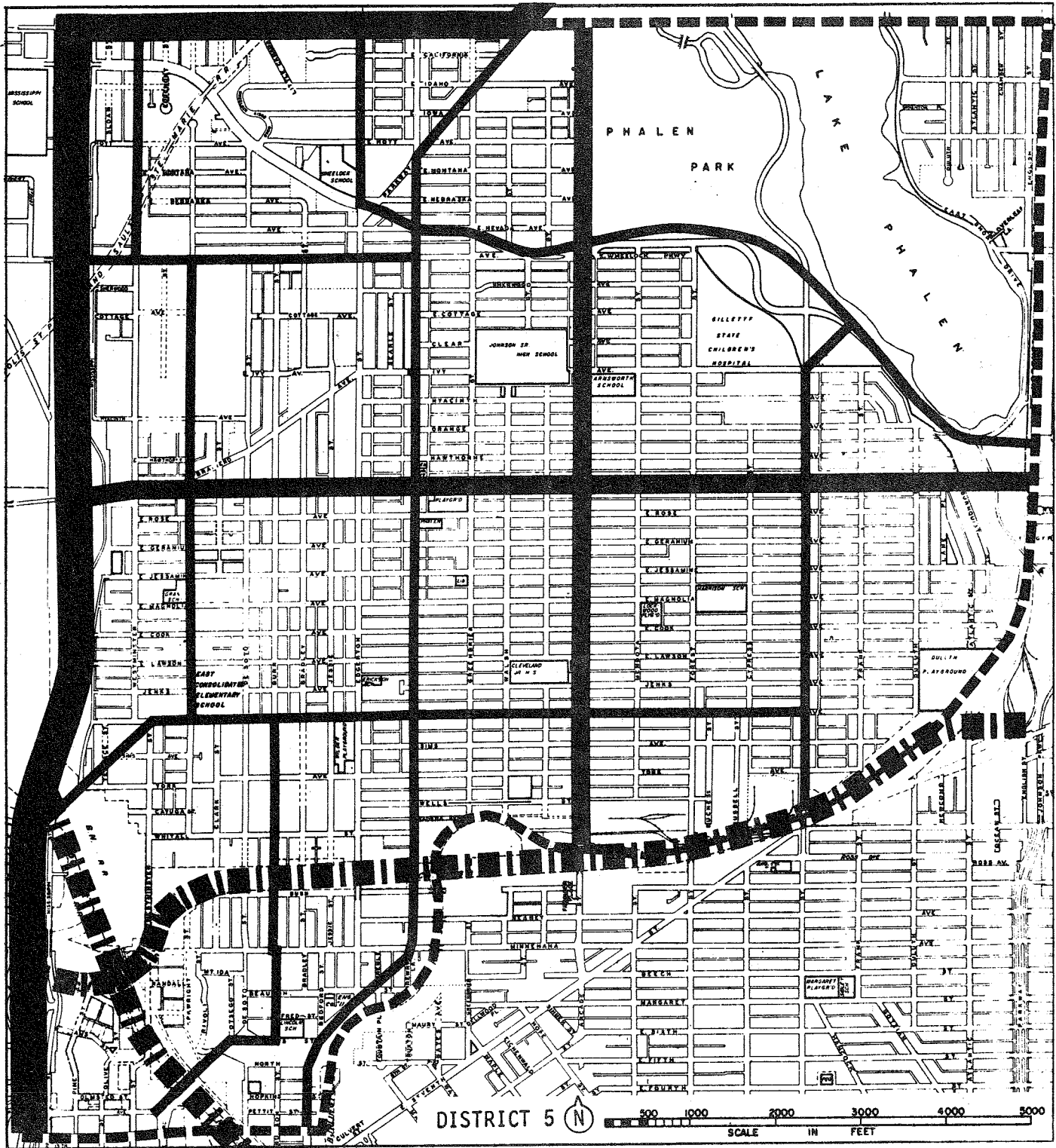
Sreet Name	Existing Classification	Proposed Classification	Aid Source	Traffic Volume
Brainerd Avenue	Collector	Local Street	MSA	OK
Burr Street, Collins to Case	Collector	Same	MSA	OK
Case Avenue, Westminster to Earl	Collector	Same	MSA	4600 ADT, 1974; OK
Collins St., Lafayette to Payne	Collector	If East Como Boulevard is built, Collins could become a local street or be closed	MSA	6700 ADT, 1977; OK
Earl Street	Collector	Same	MSA	5900 ADT, 1974; OK
Edgerton Street	Collector	Local Street, except north of Wheelock will remain collector	CSA	3800 ADT, 1973
Forest Street	Collector	Local Street	MSA, south of Maryland	4700 ADT, 1973; will decrease
Ivy Avenue, Arcade to Earl	Collector	Local Street	Local	OK
Lafayette Road	Collector	Depends on final Street & Highway Plan; probably remain collector	MSA	8500 ADT, 1973; OK






STREET CLASSIFICATIONS, AID SOURCES, AND TRAFFIC VOLUMES

Sreet Name	Existing Classification	Proposed Classification	Aid Source	Traffic Volume
Minnehaha Avenue, Burr to Payne	Collector	Local Street	MSA, east of Arkwright	OK
Mississippi Street, University to Geranium	Collector	Local Street	MSA, York to Case	OK
Parkway Drive	Collector	Same, east of Payne	MSA	OK
Payne Avenue	Collector	Same, south of Parkway Drive	MSA	OK
University Avenue	Collector	Proposed Minor Arterial B, carry 5-10,000 ADT (University Mounds Connector)	Federal	OK as collector
Westminster Street, Geranium to Wheelock	Collector	Collector, Arlington to Larpenteur	CSA	OK
Wheelock Parkway	Collector Scenic Route	Same	Local	OK
All Others	Local Streets	Same	Local	Varies

FIGURE 2-3

FUTURE CLASSIFICATIONS



-  PRINCIPAL ARTERIAL
-  MINOR ARTERIAL LEVEL "A"
-  MINOR ARTERIAL LEVEL "B"
-  COLLECTOR
-  PROPOSED FUTURE CONSTRUCTION

2.3 LAND USE

2.3.1 GOAL

To put all land in the district to its most attractive and efficient use and to protect the stability of the environment in District 5.

2.3.2 PROPOSALS

1. A land use and zoning study should be done for the northwest corner of the district. The purpose of the study is to respond to the demands for new apartment development on vacant land, while adequately buffering adjacent single-family residential areas. The boundaries for this study are Desoto on the east, Maryland on the south, 35E on the west, and Larpenteur on the north.
2. The Railroad Island study now underway will include a land use plan, and will be reviewed by the District 5 Planning Council and incorporated in the General District Plan.
3. Northern expansion of the commercial land uses along both Payne and Arcade should be restricted. New development along both commercial strips should take place within the existing boundaries, further strengthening the commercial nature of the street, while avoiding continued encroachment on the residential neighborhoods to the north.
4. The Maryland Avenue study, proposed in the Transportation Section, should also include a study of ways of buffering noise along the street.
5. A land use and zoning study is needed for the area south of Whitall Street to the railroad tracks between Westminster and Payne Avenue. This bluff area offers the potential of buffering residential land uses from the railway lines at the base of the hill. The result of this study will be a recommended land use plan for the area in question.

6. The Payne-Phalen community, in cooperation with the city, should work for the adoption of a sign ordinance that would reduce the negative visual impact that many signs in the district now project.
7. The installation or replacement of power or telephone lines should be underground.
8. The City should work closely with District 5 and other neighborhoods to complete the replacement of diseased shade trees on both public and private property.

2.3.3 BACKGROUND INFORMATION

RESIDENTIAL LAND USE

The most prevalent land use in District 5 is residential, zoned primarily RT-1 and R4. This zoning allows for a combination of single family units and duplexes.

Residential zoning is more restrictive the farther north one goes in the district, from RM-2 areas in the south to R2 and R3 areas in the north.

Multi-family zoning (RM-1 and RM-2) is common along major streets, generally on the edges of the district. This zoning allows for apartment dwellings of various densities. Most of the vacant land in the district is zoned for multi-family uses.

Railroad Island has some zoning and land use problems that must be resolved. These problems will be evaluated during the Railroad Island study that is now underway.

ZONING PROCESS

There are some inconsistencies between existing zoning and existing or desired land uses. The current zoning ordinance should be amended to better relate to desired land uses proposed in this plan.

The District 5 Planning Council should have a more defined role in the process of zoning changes.

COMMERCIAL AND INDUSTRIAL LAND USE

The commercial strips of Payne Avenue and Arcade are expanding along their northern ends. This expansion of the commercial land use area is not necessary, because there are plenty of opportunities for development within the existing commercial areas.

Industrial and commercial uses, when they are close to residential neighborhoods, sometimes have a negative effect

on the adjacent areas. This conflict of land uses is also found in residential areas along 35E where high density units are located very close to single family homes.

OPEN SPACE

District 5 has a large amount of land devoted to recreation and open space. Almost all of this land is located in three parks: Phalen, Arlington-Arkwright, and Swede Hollow.

VACANT LAND

A large amount of vacant, developable land is located along the western and southern edges of the Payne-Phalen community. This land will play a key role in the future improvement and development of the district. Some of these parcels of land have soil problems or topographic conditions (steep slopes) that are not conducive to development.

A study should be done of the area just to the north of the railroad tracks along Whittall Avenue, between Westminster and Payne, to determine future land use and zoning for the area.

IMAGE

Most of District 5 consists of residential neighborhoods with some distinctive characteristics, from the Railroad Island neighborhood which has some of the oldest existing homes in Saint Paul, to the northern part of the district with its newer, suburban-style homes.

The southern portion of Payne Avenue is an important gateway into District 5. It would be helpful to the whole community to present a stronger image here.

ENVIRONMENT

Pollution of Lake Phalen, noise pollution along Maryland and 35E, and visual pollution caused by signs and power lines all are problems that need attention.

The reforestation program is encouraged by area residents. Area residents and the District Council should be involved in future reforestation planning.

2.4 UTILITIES

2.4.1 GOALS

1. To maintain, and where necessary, to upgrade utilities in District 5.
2. To expand utility services to meet the needs of new development.

2.4.2 PROPOSALS

1. An overall plan for the upgrading of existing utility systems should be developed jointly by the district and the city. Two areas within the district that should receive special attention and priority for future funding are the areas south of Case Avenue and the northwest corner of the district.
2. Install all new power and telephone lines underground.
3. The storm water system which flows into Lake Phalen should not be expanded until the pollution study being done by Ramsey County is completed. The city should make reducing lake pollution a high priority.
4. District 5 supports the storm water ponding system if the ponding sites are compatible with surrounding neighborhoods and if the city proceeds with its plans for new sewers to correct the deficiencies.

2.4.3 BACKGROUND INFORMATION

Most of District 5 is adequately served by public utilities. However, two areas need improvement. They are the northwest and southwest corners of the district.

Storm sewer construction needed in the area south of Case Avenue is currently programmed for 1980. The public Works Department has judged the project economically infeasible. District 5, however believes these sewers should receive top priority because of proposed development and the neighborhood preservation program currently in progress.

The northwest corner of the district is experiencing rapid growth. Public utilities in this area should be upgraded to meet with new demands.

Power and telephone lines should be installed underground in areas of new development.

District 5 supports the city's storm water ponding program if the ponds are compatible with the neighborhood. The city should proceed with plans for new storm sewers when funds are available.

3.0 SOCIAL DEVELOPMENT PLAN

3.1 GOALS

3.1.1

To provide complete health services to all sectors of the community, especially elderly, handicapped and low income individuals.

3.1.2

To insure that health services are accessible.

3.1.3

To provide for educational needs of community residents.

3.1.4

To provide adequate social services to residents of District 5, including child day care, senior citizens programs, and youth employment assistance.

3.1.5

To provide for public safety in District 5.

3.1.6

To provide adequate community facilities in District 5, including fire protection, library services, and regulation of residential care facilities.

3.1.7

To provide adequate parks and recreational facilities to all District 5 residents.

3.2 PROPOSALS

3.2.1 HEALTH

1. District 5 and the city should use the results of the needs assessment to plan for health services in District 5.
2. Funding must be found to expand the Meals on Wheels program.
3. Diagnostic health screening should be made available to more District 5 residents.

4. Expand existing special transportation services in District 5. The MTC's Project Mobility, a system of vans accessible to handicapped persons, is a long-range solution. It will be expanded to include the entire Twin Cities area by 1982.
5. Publicize existing health services, using community newspapers.

3.2.2 EDUCATION

1. The results of the needs assessment being done by Ramsey Action Programs should be used in future planning for educational programs.
2. The St. Paul School Board should find other ways of funding schools to relieve the burden on property taxes.
3. The community should use the existing advisory councils and PTA's to monitor the school system and participate in decision-making.

3.2.3 SOCIAL SERVICES

1. The results of the needs assessment now in progress should be used for future social services planning.
2. The District 5 Council and social service providers should decide whether to propose a new multi-service center.
3. The City should provide technical assistance to child care programs in applying for funding and meeting building codes.
4. Government assistance for child care should be continued.
5. The District 5 Planning Council and Ramsey Action Programs should find a congregate dining site in the northern part of the district.
6. A youth employment program, administered by an organization already located in District 5, should help young people find jobs and provide incentives to business to hire youth.

3.2.4 COMMUNITY FACILITIES

1. The District 5 Planning Council should play a central role in determining the reuse of the vacant Gillette Hospital building and grounds.
2. The City should implement the recommendations in the 1976 report, "Residential Care Facilities".
3. The fire protection, prevention, and educational functions served by the two fire stations in District 5 should continue.
4. The District 5 Council should be involved in any decision about the Arlington Branch Library. If a new facility is needed, reuse of an existing building should be the first priority.

3.2.5 PUBLIC SAFETY

1. The St. Paul Police Department should make its crime statistics more accessible to neighborhoods and should analyze statistics on a city-wide basis.
2. The St. Paul Criminal Justice Coordinating Committee is evaluating the criminal justice system. This evaluation will help to find more effective ways of treating juvenile offenders.
3. The Police Department and Public Works should test the effectiveness of improved street lighting in reducing street crime in a trial area in District 5.
4. Door and window locks for all residential units should be included in the City's building code.
5. Conflicts between adult entertainment land uses and residential uses should be reduced.
6. Any crime prevention programs conducted in District 5 should be directed through existing community organizations.

3.2.6 PARKS AND RECREATION

1. Existing parks and recreational facilities should be improved and used to capacity before the city considers building new facilities. Joint use is one way of accomplishing this.
2. If any community recreation center facilities are developed within District 5, the facilities should be located at either Cleveland Junior High School or Phalen Lake School.
3. The Lockwood playground is presently used by Phalen Lake School, St. Casimir's School and the YMCA. District 5 requests that the three major users of the Lockwood facility enter a joint use agreement with the Parks and Recreation Division to provide supervision for the playground.
4. A decision should be made concerning the reuse of the vacant Lincoln School site, at Collins and Burr. The Highway 212 site Task Force should make a recommendation as part of the plan for the 212 site.
5. Since there is no passive park space within 1/2 mile of Edgerton hi-rise, some of the land adjacent to the hi-rise should be improved so that it can be used as a passive park.
6. Police should patrol Phalen Park continuously in order to provide better protection against vandalism and other crimes. Swede Hollow is also in need of better security.
7. In the past, a higher water level has sometimes been maintained at Keller and Gervais Lakes than at Phalen Lake. Water levels at the three lakes should be equal, with all three areas sharing water shortages if necessary. Some recommendations are being formulated for reducing pollution in the lake.

3.3 BACKGROUND INFORMATION

3.3.1 HEALTH

Studies have suggested that District 5 has adequate health care. Health care can be better evaluated when the needs assessment is completed.

Health screening is an important service for area residents, especially those who are low income, handicapped, and elderly. Existing programs should be publicized, and better transportation offered. In addition, more health screening should be offered to residents through area organizations.

Meals on Wheels is a vital service offered to the elderly, and should be expanded. Funding for this program is needed in order for it to continue.

The major concern among health care organizations is the lack of adequate funds to meet increased resident needs.

Existing transportation services to health care facilities are unable to meet the demand due to limited funds. An expansion of these transportation services is needed.

3.3.2 EDUCATION

The proportion of adults with high school diplomas increases from south to north in District 5. Adult education should be emphasized, especially in the Railroad Island neighborhood.

In District 5, the age group from 25-44 declined from 1960 to 1970. The community would like to reverse the out-migration of families of school-age children.

More information is needed about the quality of existing educational programs.

The present method of funding educational programs through property taxes is not acceptable to the community. Alternative means of funding should be found.

The community should monitor the administration of education by the St. Paul School Board.

3.3.3 SOCIAL SERVICES

A needs assessment is underway in District 5. The results will be used to do further human services planning.

Existing services need to be better publicized and coordinated.

Benefits could be realized by consolidation of the locations of existing services. The results of the needs assessment should be used to determine whether a multi-service center is needed in the Phalen area, and if so where it should be located.

The number of family day care homes is increasing. The largest day care facility in the district is the one at the East Side YMCA on Arcade.

The Wilder Foundation did an informal day care needs assessment, and found programs in District 5 sufficient.

A congregate dining site should be located in the northern part of the District.

Professionals working in youth programs estimate that 50 to 60% of young people between the ages of 14 and 19 are unable to find jobs. They suggest that this may be a cause of the recent increases in youth arrests in District 5.

3.3.4 COMMUNITY FACILITIES

Fire stations should continue to provide some community services, such as blood pressure checks; more services could be provided so long as they do not interfere with fighting fires.

The Community Services Department has proposed to demolish and replace the Arlington Branch Library. The District 5 Council is not convinced of the need for a new library. If one is needed, conversion of an existing building should be the first consideration.

The recommendations in the Planning Commission draft of "Residential Care Facilities", 1976, should be implemented to provide for citizen input and the orderly distribution of facilities.

The vacant Gillette Hospital building and grounds present a unique opportunity for the City and District 5. The District 5 Planning Council should play a central role in deciding the reuse.

3.3.5 PUBLIC SAFETY

Increasing crime affects everyone. The steady increase in crimes committed by juveniles is of particular concern in District 5. The criminal justice system needs more alternatives so that juvenile offenders may be treated according to their needs, and are not automatically sent to adult security facilities.

District 5 residents must become actively involved in crime prevention. They should take advantage of Operation ID, the Neighborhood Assistance Officer program, and other proven techniques.

The crime prevention manual, "Will You Be Next?", is a start toward informing residents of security measures they can take.

Many older homes have inadequate door and window locks.

St. Paul's Housing Code requires security devices only on apartment units.

Phalen Park and Swede Hollow would be used more if constantly patrolled by police.

Adult entertainment land use controls are needed.

3.3.6 PARKS AND RECREATION

District 5 has more acres of open space than most Saint Paul neighborhoods, about 460 acres. Most of this area, 385 acres, is in Phalen Park.

Existing parks and recreational facilities should be improved and used to capacity before considering building new facilities. Joint use by schools and community people is encouraged.

The district is adequately served by neighborhood recreation centers. Because there are other centers nearby, Lockwood could be converted to a mini-park.

District 5 needs a community recreation center which would serve teenagers and adults. It could be located near either Cleveland Junior High School or Phalen Lake School.

Phalen Lake is an important resource for District 5, the city, and the entire metropolitan area. Both water quality and water level must be maintained.

Better security is needed at Phalen Park and at Swede Hollow, to prevent vandalism and other crimes, so that more people will feel free to use these parks.

4.0 ECONOMIC DEVELOPMENT PLAN

4.1 GOALS

4.1.1.

To promote a healthy economy in District 5 and in Saint Paul.

4.1.2

To encourage existing compatible industrial uses to remain and to expand in District 5.

4.1.3

To promote appropriate industrial development on vacant land, especially in the southwest corner of the district.

4.1.4

To reduce conflicts between commercial and industrial uses and other types of land use, especially residential.

4.1.5

To achieve safe and adequate vehicular and pedestrian circulation along Payne and Arcade.

4.1.6

To encourage new businesses and residential development and to remove blight and deterioration through existing and proposed rehabilitation programs.

4.2 PROPOSALS

4.2.1

Survey employment patterns in District 5.

4.2.2

To help deal with energy shortages, traffic congestion, and pollution, industries should promote car pooling for employees. People should also be encouraged to ride the MTC buses and to use park-and-ride terminals where appropriate.

4.2.3

The Payne-Phalen community should participate in decision-making about rezonings and other public actions to allow new industrial development.

4.2.4

The District Council will assist existing compatible industries to stay in the area. Project planning will be needed to solve parking, noise and pollution problems.

4.2.5

The District Council, other community groups, and business and industry in District 5 should organize a public relations campaign to attract new business and industry to the area.

4.2.6

The District Plan will be amended to include recommendations from the Railroad Island study. One of these recommendations will be a land use plan for the industrial area below the bluff, to the west of Railroad Island.

4.2.7

A market analysis should be completed for the two commercial strips, Payne and Arcade.

4.2.8

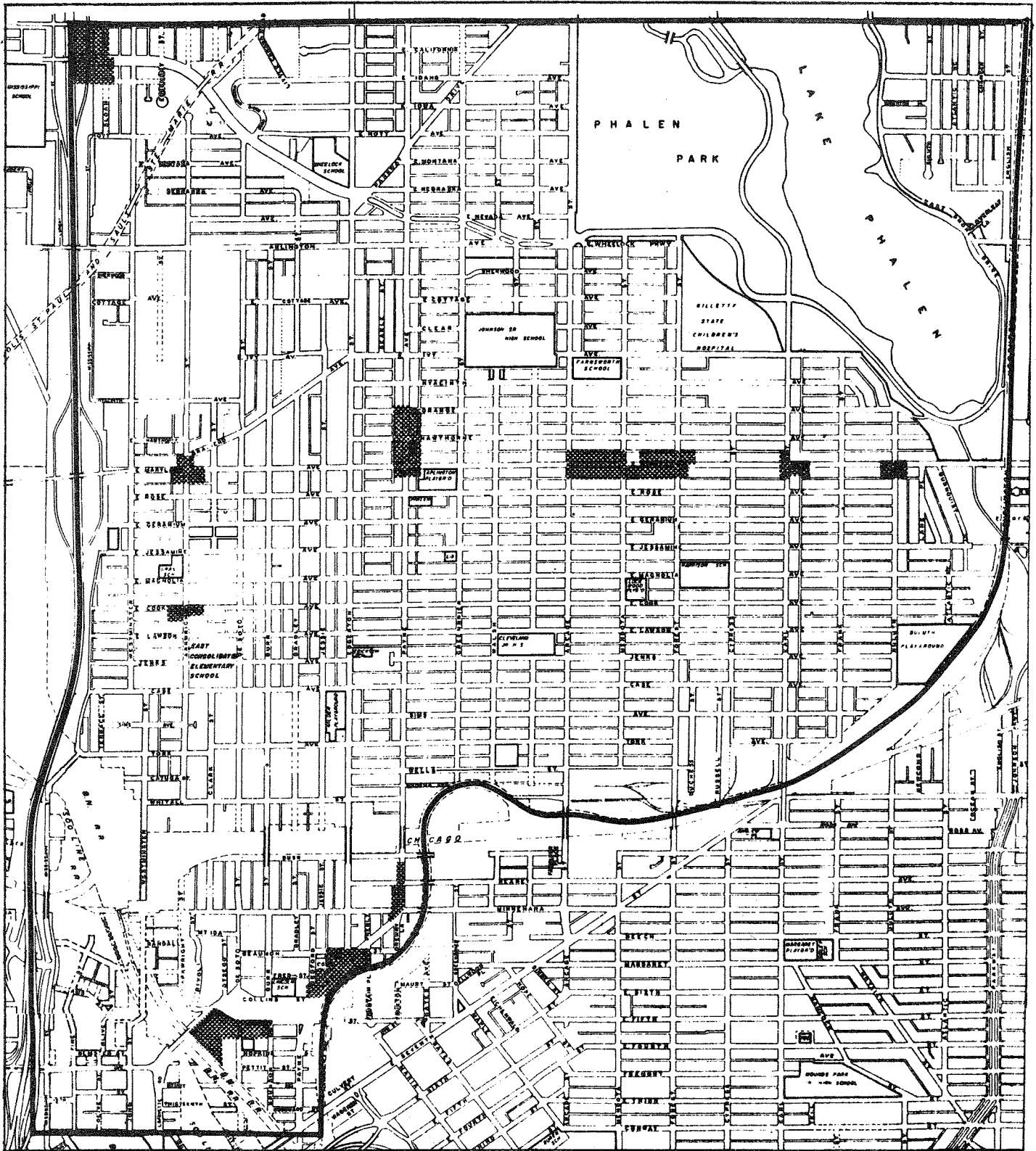
The District 5 Planning Council and the business community should keep an inventory of vacancies and commercially-zoned parcels of land.

4.2.9

The small commercial clusters now zoned B-2 and B-3 should be considered for rezoning to B-1, after determining how this might affect each existing business. The District 5 Planning Council specifically proposes that the intersection of Payne and Maryland, from the alley between Rose and Maryland to the alley between Hawthorne and Maryland be considered for change from B-3 to B-2, and the zoning from the alley between Hawthorne and Maryland to Orange be considered for change from B-3 to B-1, and commercial uses on Maryland, located between Arcade and Forest be considered for change from B-3 to B-1. See figure 4-1.

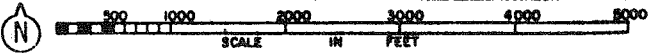
FIGURE 4-1

POTENTIAL ZONING CHANGE AREAS

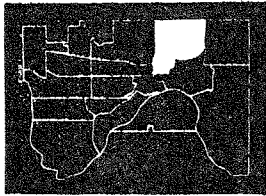


PAYNE-PHALEN

DISTRICT 5



AREAS TO BE CONSIDERED FOR ZONING CHANGE FEASIBILITY



4.2.10

The city should install a pedestrian crossing signal at Payne and Jenks.

4.2.11

The city should enact legislation to control the number and type of liquor establishments on Arcade Street and on Payne Avenue. The licensing process for these establishments should include more community input.

4.2.12

A commercial rehabilitation program should be started on Arcade between Lawson and York.

4.3 BACKGROUND INFORMATION

4.3.1 POPULATION

District 5 has a stable population and a good economic base because of three major industries located in the district.

District 5 residents' educational level (percentage of high school graduates) is lower than the city as a whole. This means somewhat limited employment opportunities for the 52% of the population in the district who have not graduated from high school.

4.3.2 WORK FORCE

The work force in District 5 is very similar to that of the city as a whole. 83% of District 5 workers are in the sales/clerical, craftsman/foreman, or laborer/service worker categories, compared with 77% for all of Saint Paul.

Almost 80% of workers living in District 5 work within the Saint Paul city limits.

4.3.3 ROLE OF INDUSTRY

District 5 needs industry to maintain a healthy economy; and the industries need the labor force available in Saint Paul. The community and industries should work together to see that their economic interests are served while protecting the residential environment in the area.

4.3.4 PAYNE AVENUE

Payne Avenue is one of the most intensely developed arteries in Saint Paul, comparable in size and scope to a community shopping center such as Har Mar or Sun Ray.

Payne Avenue is a healthy commercial area, with some businesses reporting increased sales during the past few years. The growth of other competitive shopping areas, poor accessibility and parking and lack of population growth in adjacent areas need to be dealt with to insure the future success of the area.

Payne Avenue has generally been growing north of Maryland Avenue. This commercial growth has been seen by residents as an infringement upon their neighborhood. It would be of more benefit to Payne Avenue to concentrate new development near the core area, Lawson to York.

Payne and Arcade have similar building conditions, with approximately 50% of the buildings in need of minor or major repairs. Both streets are appropriate locations for commercial rehabilitation.

Both Payne and Arcade are experiencing parking problems. A study is needed to determine actual needs and ways of using existing parking more effectively.

4.3.5 ARCADE STREET

Arcade Street is generally healthy. However, a market analysis should be done to guide future development. Parking and traffic must also be dealt with.

The great number of liquor establishments on both streets is viewed as one of the leading causes of increasing crime rates.

4.3.6 COMMERCIAL REHABILITATION

Current and proposed commercial rehabilitation programs are steps forward in the revitalization of the commercial strips in District 5.

The commercial growth east along Maryland Avenue from Arcade Street is increasing the street's traffic problems.

4.3.7 SMALL COMMERCIAL CLUSTERS

There are six small commercial clusters outside of Payne Avenue and Arcade Street that are zoned B-2 or B-3. In many instances, these uses infringe upon adjacent residential areas.

A small commercial area will probably be needed in the northwest corner of the district, where new apartment development is taking place.

CREDITS

RESIDENTS AND BUSINESS PEOPLE

The people who have participated in the preparation of this plan number in the hundreds. Members of the District 5 Planning Council coordinated the process, and publicized it so all interested residents and business people could participate. Many took advantage of that opportunity. The names listed below are those who were regular members of the District 5 Council and its task forces. They wish to thank all the others who contributed their time and energy, including city of St. Paul and District 5 Council staff people.

General District Planning Task Force Members

Physical Planning Task Force

- | | |
|-------------------|-----------------|
| * Lee Anderson | Jim Klein |
| * Bill Baker | * Tim Morehead |
| * Doris Bebeau | * Lee Runyon |
| Angie Blees | Art Trevino |
| Tim Culver | Marlyn Trevino |
| * Eleanor Edmeier | * Glenn Vikan |
| Douglas Forsberg | * Wilfrid Weber |
| Judith Gerber | Buzz Wilson |
| * Gregg Johnson | * Steve Wynn |
| * Ervin Kinstler | |

Social Planning Task Force

- | | |
|----------------|----------------|
| Katie Barron | * Dick Kadrie |
| Harlan Burros | Bill Kummer |
| Ronald Caturia | Dick McCarthy |
| Dennis Chada | * Dale Ruggles |
| Gene Cukla | Phil Sandro |
| Agnes Grosscup | Nan Skelton |
| * Glen Hanggi | Debbie Tri |
| John Helgason | Jerry Tri |
| * Roy Isacksen | Glenn Vikan |

Economic Planning Task Force

- | | |
|-------------------|---------------|
| * Russ Boogren | Jim O'Hara |
| Tom Brown | Bud Snow |
| Ronald Caturia | Art Trevino |
| Dick Kadrie | Herb Wogsland |
| Kathleen McCarthy | |

- * 1978 District 5 Planning Council Members

ADMINISTRATION AND
POLICY DIRECTION

Gary Stout, Director of Planning and Economic Development
James J. Bellus, Planning Administrator
Craig Kercheval, Principal Planner

RESEARCH AND
PLANNING

Dorothy Schlesselman, Planner
Jerry Messman, Planner
Thomas Johnson, Student Intern, St. Thomas College

GRAPHICS

Mark Basten, Designer
Thomas Ashworth, Designer

TYPING

Shirley Bailey
Sue Vanelli

LOCATION PROFILES | [BY CITY](#)

Payne-Phalen neighborhood data



City: [Saint Paul](#)

About the data

At-a-glance facts about residents, households, and workforce. Data are largely derived from the U.S. Census Bureau. When a data point is missing or considered unreliable, it will not display or be labeled suppressed. [See information about geographic profile sources.](#)

At a glance facts

1 of 4

Payne-Phalen neighborhood, household by income

Payne-Phalen neighborhood age group

Who lives in the Payne-Phalen neighborhood?

[- COLLAPSE ALL](#)

Population

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Decennial Census

2010	30,768
2020	33,644



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Age

Age (2016-2020)

Under 5 years	2,869	8.5%
5-9 years	3,077	9.1%
10-14 years	3,176	9.4%
15-17 years	1,814	5.4%
18-24 years	3,226	9.5%
25-34 years	6,134	18.1%
35-44 years	4,551	13.5%
45-54 years	3,214	9.5%
55-64 years	3,290	9.7%
65-74 years	1,456	4.3%
75-84 years	688	2.0%
85 years and older	322	1.0%



Sex

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Sex (2016-2020)

Male	17,088	50.5%
Female	16,727	49.5%



Race & Ethnicity

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Race & Ethnicity (2016-2020)

White	9,469	28.0%
Of Color	22,072	65.3%
Black or African American alone	4,721	14.0%
American Indian and Alaskan Native alone	741	2.2%
Asian or Pacific Islander alone	13,058	38.6%
Other alone	suppressed	
Two or more races alone	1,231	3.6%
Hispanic or Latino (of any race)	4,567	13.5%



Language

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Language spoken (2016-2020)

Email address

Population (5 years and older)

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English only	17,111	55.3%
Language other than English	13,836	44.7%
Speaks English less than "very well"	8,086	26.1%



Disability Status

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Disability status (2016-2020)

Total population for whom disability status is determined	33,365	100.0%
Population with a disability	4,545	13.6%



Nativity

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Nativity (2016-2020)

Foreign-born residents	9,177	27.1%
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Residency

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Residence one year ago (2016-2020)

Population (1 year and over in US)	33,114	100.0%
Same residence	27,681	83.6%
Different residence in the U.S.	5,421	16.4%
Different residence outside the U.S.	suppressed	



What's the quality of life in Payne-Phalen?

Income & Poverty

[SHOW MARGIN OF ERROR](#)

Household income (2020 dollars) (2016-2020)

Total households	9,722	100.0%
Less than \$35,000	3,321	34.2%
\$35,000-\$49,999	1,526	15.7%
\$50,000-\$74,999		

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\$75,000-\$99,999

\$100,000 or more

Median household income (2020 dollars)

Email address

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\$ suppressed



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Poverty (2016-2020)

All people for whom poverty status is determined	33,249	100.0%
With income below poverty	8,257	24.8%
With income 100-149 of poverty	4,743	14.3%
With income 150-199 of poverty	3,531	10.6%
With income 200 of poverty or higher	16,718	50.3%
17 years and younger (percent of people under age 18)	3,942	36.7%
18-24 (percent of people age 18-24)	802	25.3%
25-34 (percent of people age 25-34)	991	16.5%
35-44 (percent of people age 35-44)	1,013	22.6%
45-54 (percent of people age 45-54)	557	17.8%
55-64 (percent of people age 55-64)	718	22.0%
18-64 (percent of people 18-64)	4,079	20.4%
65 years and older (percent of people age 65+)	235	9.6%



Health Coverage

[SHOW MARGIN OF ERROR](#)

Health coverage (2016-2020)

Total population age 65 and under for whom health insurance coverage status is determined	30,903	92.6%
Population 65 and under without health insurance coverage	2,899	9.4%



Housing

[SHOW MARGIN OF ERROR](#)

Total housing units (2016-2020)

Total housing units	10,378	100.0%
---------------------	--------	--------

Owned and Rental Housing (2016-2020)

Vacant housing units (seasonal units included)	656	6.3%
Occupied housing units	9,722	93.7%
Average household size	3.3	100.0%
Owner-occupied	5,137	49.5%

Average household size

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Renter-occupied

Email address

Average household size

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Year built (2016-2020)

2000 or later	500	4.8%
1970-1999	2,002	19.3%
1940-1969	3,269	31.5%
1939 or earlier	4,607	44.4%



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Households (2016-2020)

Total households	9,722	100.0%
------------------	-------	--------

Households by type (2016-2020)

Family households	6,765	69.6%
With children under 18 years	4,325	44.5%
Married-couple family households	3,376	34.7%
With children under 18 years	2,088	21.5%
Single-person family households	3,389	34.9%
With children under 18 years	2,237	23.0%
Nonfamily households	2,957	30.4%
Householder living alone	2,206	22.7%
65 years and over	565	5.8%
Households with one or more children under 18 years	4,362	44.9%
Households with one or more people 65 years and over	1,937	19.9%

Year householder moved into unit (2016-2020)

Moved in 2010 or later	6,257	64.4%
Moved in 2000-2009	1,550	15.9%
Moved in 1990-1999	974	10.0%
Moved in 1989 or earlier	941	9.7%



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Cost-burdened households (2016-2020)

All households for which cost burden is calculated	9,458	100.0%
Cost-burdened households	3,762	39.8%
Owner households for which cost burden is calculated	5,080	100.0%
Cost-burdened owner households	1,103	21.7%
Renter households for which cost burden is calculated	4,378	100.0%
Cost-burdened renter households	2,659	60.7%

Rent paid (2016-2020)

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Households paying rent

Email address

Median rent paid (2020 dollars)

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Transportation

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Vehicles per household (2016-2020)

No vehicles	1,306	13.4%
1 vehicle available	3,337	34.3%
2 vehicles available	3,287	33.8%
3 or more vehicles available	1,792	18.4%

Transportation to work (2016-2020)

Workers (16 years and older)	14,399	100.0%
Car, truck, or van (including passengers)	12,138	84.3%
Public transportation	850	5.9%
Walked, biked, worked at home, or other	1,411	9.8%

Travel time to work (2016-2020)

Total workers age 16+ (not home based)	13,364	100.0%
Less than 10 minutes	1,039	7.8%
10-19 minutes	4,482	33.5%
20-29 minutes	3,373	25.2%
30 minutes or longer	4,470	33.5%



Workforce

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Educational attainment (2016-2020)

Population (25 years and older)	19,655	100.0%
Less than high school	4,542	23.1%
High school diploma or GED	5,868	29.9%
Some college or associate's degree	5,626	28.6%
Bachelor's Degree	2,582	13.1%
Graduate or professional degree	1,037	5.3%
High school graduate or higher	15,113	76.9%
Bachelor's degree or higher	3,619	18.4%


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Working Adults (2016-2020)

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Total civilian non-institutionalized population, age 18-64

Email address

Working age adults who are employed

SIGN UP

Civilian labor force

14,886 100.0%

Unemployed

1,009 6.8%

Total employed workers (LEHD) (2019)

Total employed workers

14,992 100.0%

Worker age (2019)

Age 29 or younger

4,803 32.0%

Age 30 to 54

7,914 52.8%

Age 55 or older

2,275 15.2%

Workers by earnings (2019)

\$15,000 per year or less

3,821 25.5%

\$15,001 to \$39,999 per year

5,849 39.0%

\$40,000 or more per year

5,322 35.5%

Workers by industry of employment (2019)

Accommodation and food services

1,397 9.3%

Administration & support, waste management, and remediation

suppressed

Agriculture, forestry, fishing and hunting

1,167 7.8%

Arts, entertainment, and recreation

266 1.8%

Construction

416 2.8%

Educational services

1,104 7.4%

Finance and insurance

563 3.8%

Health care and social assistance

3,325 22.2%

Information

192 1.3%

Management of companies and enterprises

411 2.7%

Manufacturing

1,925 12.8%

Mining, quarrying, and oil and gas extraction

suppressed

Other services (excluding public administration)

553 3.7%

Professional, scientific, and technical services

655 4.4%

Public administration

516 3.4%

Real estate and rental and leasing

138 0.9%

Retail trade

1,409 9.4%

Transportation and warehousing

413 2.8%

Utilities

22 0.1%

Wholesale trade

471 3.1%

Workers by race (2019)

White alone

7,000 47.2%

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Black or African American alone

Email address

American Indian or Alaska Native alone

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Asian alone

4,720

31.5%

Native Hawaiian or Other Pacific Islander alone

16

0.1%

Two or more race groups

500

3.3%

Hispanic or Latino (of any race)

1,367

9.1%

Workers by educational attainment (2019)

Less than high school

1,494

10.0%

High school or equivalent, no college

2,528

16.9%

Some college or associate degree

3,118

20.8%

Bachelor's degree or advanced degree

3,049

20.3%



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CITY OF SAINT PAUL
Melvin Carter, Mayor

*25 West Fourth Street, Ste. 1300
Saint Paul, MN 55102*

Telephone: 651-266-6565

**PROCESS FOR ANALYZING PROJECTS
REQUESTING SAINT PAUL HOUSING AND REDEVELOPMENT
AUTHORITY (HRA) ASSISTANCE**

Revised August 2020

STEP 1 Staff review of a development proposal is triggered by a discussion between staff and developer regarding a proposed project. Any preliminary staff discussion shall include notification of a PED Team Leader. HRA assistance shall include a request for any of the following, or combination of the following, for housing and commercial projects:

- Loans
- Grants
- Land Sales (Disposition of HRA Owned Land)
- Land leases
- Tax Increment Financing (TIF)
- Tax Credits
- Conduit Revenue Bonds (when combined with any of the above)
- Guaranty
- Other financial assistance

This application process does not apply to requests for garden lots and splinter parcels, or when the only requested assistance is for Conduit Revenue Bonds. The HRA has a separate application for Conduit Revenue Bonds when that is the only requested HRA participation.

Separate applications also pertain to requests for STAR assistance or 9% Low Income Housing Tax Credits (LIHTC).

STEP 2 A written proposal shall be submitted by the developer to include the following:

- Initial application form (see Attachment A)
- 1st Developer Letter (see Attachment B)
- 20% of Development Project Application Fee, based on size of project (see Attachment C)
- The balance of the Development Project Application Fee (i.e., 80% of Application Fee) will be submitted in Step 7 or Step 8

STEP 3 Staff will conduct a preliminary analysis including:

- Gap analysis
- Preliminary assessment of sources and uses

- Identify public purpose
- Preliminary assessment of proposal’s consistency with city goals, comprehensive plan, zoning code, any existing redevelopment plans, and land disposition policy
- Preliminary project feasibility
- Evaluate developer’s financial capacity and experience
- Determine need for PED/HRA consultant(s)
- Obtain further information from applicant if needed

STEP 4 PED staff will determine if proposal merits further consideration and evaluation. If staff determines that no further analysis will be completed, the applicant will be notified as soon as possible. If staff determines that the proposal merits further consideration, staff will continue to Step 5.

STEP 5 Staff along with PED Resource Team will determine the appropriate source(s) of HRA funds.

STEP 6 Developer will be given the appropriate additional application form(s) i.e., Tax Credit Application, and/or STAR Application. The appropriate applications will be determined by PED staff.

STEP 7 If Tax Increment Financing (TIF) is **NOT** a source, the following will occur:

- Staff will collect any other fees required for other sources of HRA funds (see Attachment C)
- Staff will collect the Balance of Application Fee (i.e., 80%) and Expense Deposit (see Attachment D)

Skip to STEP 9

STEP 8 If TIF **IS** a source, the following will occur:

- Staff and PED Resource Team will analyze whether preliminary TIF requirements can be met including “But For” Test and legislative qualifications and intent for a TIF District. Also, see “Tax Increment Financing Guidelines” (Attachment E)
- If preliminary TIF eligibility is determined, then staff will collect any other fees required for other sources of HRA funds (see Attachment C) and the Additional Application Fee (i.e., 80%) and Expense Deposit (see Attachment D) for outside consultants
- Blight analysis (if needed) conducted by outside consultant identified by HRA staff (paid with additional Expense Deposit)
- TIF Plan and Findings drafted by outside counsel and reviewed by HRA attorney

STEP 9 If Conduit Revenue Bonds are an additional source, the Applicant should also refer to Attachment F for Policies and Procedures

STEP 10 PED staff will make a recommendation to the HRA Board of Commissioners and/or City Council.

- No legal binding commitment until Step 11.

STEP 11 HRA Board of Commissioners and City Council Actions will include the following:

- Resolution approving Loan Agreement, Land Sale Contract, Tentative Developer Status, and/or Development Agreement, etc.
- Additionally, if TIF is used, resolutions of HRA of Commissioners and City Council approving TIF district and plan

APPLICATION

REQUEST FOR ASSISTANCE FROM THE HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA FORM REVISED SEPTEMBER 2017

1. Project Name: Project Address: City Council Ward District Council

2. Business/Developer Name: Address: Contact: Telephone: E-Mail Address: corporation partnership sole proprietorship other (specify:)

List below the names and offices held for all officers of the Applicant, current as of the date of this application:

List below the names of all stockholders (if corporation), partners (if partnership) and owners (if sole proprietorship) of the Applicant, current as of the date of this application

Has - Applicant, if an individual, OR Any officers or owners or any majority stockholder (20% or more ownership), if a corporation, OR Any existing or prospective general and limited partner in the Project ever:

Been convicted of a felony? yes no Been in bankruptcy? yes no Defaulted on any loan, bond or mortgage? yes no

3. Brief description of the business/developer experience:

4. Present ownership of the site: _____

5. Proposed project description: Include building(s) type, use, size of building(s), # of housing units, s.f. of commercial uses, description of building-materials, surrounding land uses, proposed services and amenities, include photographs of site and buildings.

6. Size of parcel being developed: _____
7. Acquisition costs per acre or square foot: _____
8. Total Square foot size of building: _____
9. What is the projected building cost per square foot: _____
10. Please complete the detailed project Development Costs/Uses and Sources as follows (or attach a Sources and Uses which includes at least these categories):

Estimated Uses/Costs

- | | | |
|----|----------------------------------|----------|
| a. | Land Acquisition | \$ _____ |
| b. | Site Development | \$ _____ |
| c. | Environmental Remediation | \$ _____ |
| d. | Building & Site Fees (specify) | \$ _____ |
| e. | Building Cost | \$ _____ |
| f. | Architectural & Engineering Fees | \$ _____ |
| g. | Legal Fees | \$ _____ |
| h. | Furnishing/Fixtures/Equip (FFE) | \$ _____ |
| i. | Financing Fees | \$ _____ |
| j. | Broker Costs | \$ _____ |
| k. | Developer's Fee | \$ _____ |
| l. | Reserves | \$ _____ |
| m. | Syndication Costs | \$ _____ |
| n. | Contingencies | \$ _____ |
| o. | Soft Costs (specify) | \$ _____ |
| p. | Other (specify) | \$ _____ |
| q. | Other (specify) | \$ _____ |
| r. | Other (specify) | \$ _____ |

Total Development Costs \$ _____

Estimated Financing Structure/Sources

- | | | |
|----|-----------|----------|
| a. | Equity | \$ _____ |
| b. | Bank Loan | \$ _____ |

c. Other/Identify _____ \$ _____

Total Sources \$ _____

11. Name and Address of Private Lender _____

12. Please submit Operating Proforma for the project showing cash flow projections (at least 15 years for rental housing projects).

13. Total Current Market Value of site: \$ _____

13a. Is an "as is" property appraisal available? Yes _____ No _____

14. Total Estimated Market Value at project completion: \$ _____

14a. Is an "as built" property appraisal available? Yes _____ No _____

15. Estimated real estate taxes of project upon completion (Show calculation) _____ \$ _____

16. Type of HRA Program/Assistance Requested: _____

17. Name & Address of:
Architect: _____

Engineer: _____

General contractor: _____

Legal counsel: _____

18. Project construction schedule:

a. Construction Start Date: _____

b. Construction Completion Date: _____

c. If phased project: _____ What Completed _____ Year _____ % Complete
_____ What Completed _____ Year _____ % Complete

19. Employment Data:

Est. Number of Construction Jobs: _____

Total number of persons employed by Applicant: _____

Total number of persons employed by Applicant in Minnesota: _____

Total number of persons employed by Applicant in Saint Paul: _____

Estimated number of permanent full-time jobs in Project: _____ NEW

_____ Existing

Expected Annual Wages of NEW Full-Time Jobs: _____

20. Indicate Project's compliance with City and State codes and regulations. If there is non-compliance, indicate what action must be taken to achieve compliance:

i. Project complies with the following regulations:

- _____ Zoning
- _____ Platting
- _____ Building and Housing (permits obtained)
- _____ Environmental
- _____ Historic Review
- _____ Other (specify: _____)

ii. Project requires:

- _____ Rezoning from _____ to _____
- _____ Conditional use permit/non-conforming use permit
- _____ Zoning variance
- _____ Building permit
- _____ Environmental assessment worksheet
- _____ Historic Review
- _____ Stormwater Management Review
- _____ Other (specify: _____)

iii. The proposed site is served by utilities, including streets.

_____ yes _____ no

iv. Detail the sustainable (green) components included in the construction of buildings and site improvements. Indicate whether the building will receive LEED certification and to what level.

21. Does project require displacement or relocation of existing businesses? Explain yes response.

22. Has Applicant executed any contracts for construction of any portion of the Project? Explain yes response.

23. State specific reasons why the use of HRA assistance is necessary for the project (the "but for" test), including a gap analysis with stated assumptions.

24. Please indicate how the project would meet one or more of the following City's Development goals; creation of jobs that pay living wages, job retention, tax base expansion, redevelopment, Housing Action Plan policies (economic integration, increased housing choices, aggressive housing rehabilitation, neighborhood revitalization, the preservation of existing affordable housing, the new production of affordable housing, and sustainable development).

25. Experience. Please name any other projects wherein the applicant, or other corporations the applicant has been involved with, has completed developments within the last five years.

26. Number of years in business: _____

27. Number of years in Saint Paul: _____

28. Potential for growth: _____

29. Will building be owner occupied _____ Yes _____ No

30. If rental space, include unit mix, size of units, gross rents, operating expenses; separated for housing versus commercial uses.

31. The following information is optional and will not impact the HRA's decision to grant or deny the request for assistance; it is requested on various reports the City of Saint Paul/HRA is required to fill out. Please check the category to indicate the racial/ethnic character of the owner(s) and controller(s) of 51% of the business/developer.

____ Caucasian ____ Black ____ Native ____ Hispanic
____ Asian/Pacific Islander ____ Hasidic Jew

Is this a women-owned business (WBE)? ____ Yes ____ No

32. If housing, what is the total number of units and what percent will be affordable:

Total Number of Units	_____
Number of Units @ 60% Metro Area Median Income	_____
Number of Units @ 50% Metro Area Median Income	_____
Number of Units @ 30% Metro Area Median Income	_____

COMPLETE #33 THROUGH #42 IF THE PROJECT ALSO INCLUDES A REQUEST FOR HRA ISSUED CONDUIT REVENUE BONDS

33. Total principal amount of bonds which Applicant is requesting that HRA issue for Project:

(A) New Money Bonds: _____

(B) Refunding Bonds: _____

(A) + (B) _____

34. Proposed bond structure, including security, rate structure, final maturity, offering terms, etc.

35. Bond underwriter information (name, firm, address, phone, email):

36. Bond counsel information (name, firm, address, phone, email) – to be appointed by City Attorney:

37. Indicate name and address of financial references for all of the following that apply: Bank, Commercial Mortgage, Trustee for other revenue bond issues under which Applicant was borrower:

38. Outstanding principal amount of revenue bonds issued by City, Port Authority, or HRA to finance a facility of which Applicant or any related person to Applicant is or has been a principal user during previous three years:

39. List any projects financed through the HRA or Port Authority in which Applicant, if an individual, officers or majority stockholders if a corporation, or any existing or prospective general partner, has participated:

40. Any other outstanding HRA/City loans or Bonds/Notes:

<u>Principal Amount</u>	<u>Date Issued</u>	<u>Outstanding Balance</u>
-----------------------------	------------------------	--------------------------------

41. If bond financing includes refinancing, provide the location and description of project or projects originally financed with the bonds related to the financing request; and provide information about current or anticipated capital improvements related to the project or projects.

42. **An additional Bond Application fee is required equal to \$5,000 (reduces to \$3,500 if the principal amount is less than \$1,000,000).**

Additional Comments:

Submit this form along with Initial Application Fee, Bond Application Fee (if applicable) and Developer Letter to:

City of Saint Paul
 Department of Planning and Economic Development
 Suite 1300
 25 West Fourth Street
 Saint Paul, MN 55102

All Application and supporting materials and documents shall remain the property of the HRA. All such materials may be subject to disclosure and/or public review under applicable provisions of state law.

By submitting and signing this application form and Developer Letter, the Applicant certifies that this Application, including the Exhibits detailed in the Addendum and Relocation and Housing Replacement Notification (if applicable), are true, correct, and complete to the best of its knowledge.

Applicant _____

By _____

Its _____

Date: _____, 20__

Attachment A (Addendum to Application)

REQUEST FOR ASSISTANCE FROM THE HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

For the proposed financing requested in the Request for Assistance from the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (Attachment A) the following additional data needs to be submitted as part of the application and identified as the following EXHIBITS:

EXHIBITS

1. PROJECT DESCRIPTION

Include a narrative description of the project and surrounding land uses. Include a description of services or amenities proposed for tenants and/or residents. Include photographs of the site and buildings.

2. DEVELOPMENT AND FINANCING TEAM

Name and provide resumes/pertinent experience backgrounds of development company including all principal partners, property management company, borrower's legal counsel, bond counsel, underwriter, underwriter's legal counsel, bond trustee, accounting firm, architectural firm, and general construction contractor.

3. PROJECT SCHEDULE

4. FINANCIAL ANALYSIS/UNDERWRITING REPORT

Describe with supportive documentation and assumptions, your analysis substantiating the feasibility and long-term financial viability of the project.

5. FINANCIAL STATEMENTS

Submit at least past three years audited statements and current (within 60 days) financial statement of the project, proposed property management company, asset management company, and applicant/development company.

6. DETAILED PROJECT BUDGET

7. SOURCES AND USES OF FUNDS STATEMENT

8. TERMS AND CONDITIONS OF SOURCES OF FUNDS

9. ARCHITECTURAL DRAWINGS, SWORN CONSTRUCTION COST STATEMENT, BIDS AND SPECIFICATIONS, SITE IMPROVEMENT PLANS, SCOPE OF WORK

10. OPERATING EXPENSE PROJECTIONS

Include a detailed operating expense budget and the amount and purpose of project reserves (eg, replacement and operating) with underlying assumptions or background information.

11. 15 YEAR PRO FORMA PROJECTIONS

Submit a 15-year proforma operating budget with underlying assumptions.

12. NEIGHBORHOOD SUPPORT

Include a statement on the support and roles of the District Community Council or other neighborhood organizations. Indicate whether the proposed project or financing has been reviewed by the neighborhood.

13. PERSONAL FINANCIAL STATEMENTS OF THE PRINCIPALS/GENERAL PARTNERS OF THE PROJECT

(ONLY IF SPECIFICALLY REQUESTED BY HRA)

ADDITIONAL REQUIREMENTS FOR PROJECTS THAT INCLUDE HOUSING

14. MARKET FEASIBILITY ANALYSIS/PLAN

Describe the target market and need for the type of housing being proposed; include market studies and/or analysis. Also, include your plan and methods to market the units.

To ensure and further fair housing, an Affirmative Fair Housing Marketing Plan will be required. A draft Plan must accompany the application, a final Plan must be submitted prior to closing.

15. DETAILED HOUSING UNIT BREAKDOWN

Include unit mix, size of units, and gross and project rent structure.

16. OCCUPANCY/FILL PROJECTIONS

Provide a schedule/timeline for lease-up of the units; provide historical occupancy rates.

17. TENANT DATA

Provide a breakdown of the current or targeted, whichever is applicable, tenant population by racial/ethnic classification, income, household size, single head of household, and age.

18. SUPPORT SERVICES

Include a statement on whether support and human services are planned for or are provided to the residents of the project; indicate the services provided and the related service organizations. Indicate names, addresses and telephone numbers of the service providers.

19. STATEMENT OF RESIDENT PARTICIPATION; COOPERATIVE HOUSING

Include a statement on resident participation in the project and whether the project is or will be organized as a cooperative or with a resident association; and indicate the structure of the ownership, cooperative or resident association entities and the role of the residents in the management of the ownership entity and of the project.

ATTACHMENT B
Initial Application Fee &
Acknowledgement of Compliance Documents (1st Developer Letter)

[TO BE SUBMITTED ON DEVELOPER’S LETTERHEAD]

(Project Manager’s Name)
Housing and Redevelopment Authority
City of Saint Paul
Department of Planning and Economic Development
1400 City Hall Annex
25 West Fourth Street
Saint Paul, MN 55102

RE: *(Description of Project)* (“Project”)

Dear:

Enclosed is our non-refundable Initial Application Fee in the amount of \$_____ (20% of total application fee as shown on Attachment C) in connection with the Project. We understand that we are not entitled to any refund or rebate of any amount of this Initial Application Fee under any circumstances.

In addition to the Initial Application Fee, we agree to pay, upon your request, an Expense Deposit to pay for outside legal counsel, financial advisors, appraisers, and other consultants, and all other out of pocket expenses incurred in connection with the Project.

We further acknowledge that the following City/HRA compliance documents (“Compliance Documents”) may be applicable for this Project:

- I. Affirmative Action including Workforce Utilization Template
- II. Vendor Outreach Program, including Business Opportunity Template (BOT)
- III. Labor Standards – Federal Davis Bacon and City Davis Bacon
- IV. Two Bid Policy
- V. Sustainable Development (Green)
- VI. HUD Section 3
- VII. Project Labor Agreement
- VIII. Living Wage
- IX. Business Subsidy
- X. Early Notification System (ENS)
- XI. Bond Compliance Agreement for Conduit Bonds*
- XII. Affirmative Fair Housing Marketing Plan

**Conduit Bonds are defined as any bonds issued by the Housing and Redevelopment Authority (HRA) on behalf of an applicant, this includes rental housing revenue bonds.*

We understand that we will be notified later in the application process of those compliance areas that will actually apply to us and our Project and that will depend in part on the source(s) and amount(s) of public funds that may be awarded by the City or HRA (see Attachment D).

We acknowledge receipt of the attached compliance matrix which provides a summary of the above listed Compliance Documents. We can contact the Project Manager if more detail is desired for any specific Compliance Document except any questions relating to Affirmative Action, Vendor Outreach Program, Labor Standards or HUD Section 3 will be directed to the City's Department of Human Rights and Equal Economic Opportunity, Deputy Director, Division of Contract Compliance and Business Development, which is located in Room 280 of City Hall, 15 West Kellogg Blvd., St. Paul, Mn. The Division's phone number is 651-266-8900 and its email address is: contractcompliance@stpaul.gov.

In addition to the foregoing compliance areas that are triggered by the award of public financing for the Project, the undersigned acknowledges and understands that it must also comply with the City of Saint Paul's zoning and land use ordinances and regulations, including without limitation the following: site plan review, park dedication, storm water management, etc.

We also understand that the acceptance of the Initial Application Fee and our acknowledgement of the Compliance Documents does not (a) constitute or create an agreement by the City of Saint Paul or the HRA to approve the Project or grant any financing for the Project, or (b) constitute any representation by the City or HRA that it will approve the Project or agree to provide financing, or c) create any legal or equitable cause of action against the City and HRA arising from any failure or refusal by the City and HRA to approve the Project or any financing for the Project.

Instead, we acknowledge that a legally binding contract will be formed only upon formal approval of the Project by the HRA Board of Commissioners and execution of a legally binding agreement, the terms of which will be discussed with HRA and City staff. Also, we agree not to make any waiver or estoppel arguments to have the Initial Application Fee returned to us or to impose any agreement or binding legal obligation on the City or HRA; and we agree not to make any waiver or estoppel arguments to impose any agreement or binding legal obligation on the City or HRA by actions taken by us in response to the Compliance Documents.

[Signed by applicant]

Attachment to Initial Application Fee & Acknowledgement of Compliance Documents (1st Developer Letter)

Compliance	Thresholds	Requirements	Exemptions
Affirmative Action / Equal Employment Opportunity (AA/EEO)	a) \$50,000, total public subsidy or contract, cumulative over 12 months, OR b) Sales made under HRA Land disposition policy	a. On any project over \$50,000, all contractors, prime and sub, have a goal of 32% for minorities and 20% for women participating on the project. b. In addition, the recipient must file an affirmative action program registration to diversify and implement fair employment practices with its workforce. The registration with the city remains in effect for 2 years.	None
Bonds – revenue and conduit (includes 4% tax credits)	All Bonds – No threshold	Little Davis-Bacon, Affirmative Action, Vendor Outreach, Sustainable Green Policy (for Housing Revenue Bonds)	None
Business Subsidy (State Law Chapter 116J.993)	a) \$150,000 for <u>grant or other subsidy</u> , yearly reporting is required beginning at \$25,000; b) over \$150,000 for <u>loan or loan guarantee</u> , yearly reporting required beginning at \$75,000	Wage and job goals, reporting.	Redevelopment when purchase of the site and site preparation is greater than 70% of assessed value, redevelopment of contaminated property, pollution control or abatement, renovation of old buildings or historic district assistance when assistance is less than 50% of cost, energy conservation, <u>housing</u> , certain non-profit corporations, and other exemptions.
City Labor Standards (Little Davis-Bacon)	\$25,000 (total project cost)	Projects over \$25,000 consisting of new construction work, demolition work, or repair work; onsite workers whose duties are physical or manual are paid weekly minimum prevailing rates including fringe benefits. Weekly certified payroll and compliance documentation submittal required.	<ul style="list-style-type: none"> Housing projects with 7 or fewer units. Contact Labor Standards in HREEO re possible exemptions
Early notification system	\$250,000 or awarded developer rights	Provides notice to interested persons of applications for HRA financial assistance and developer rights.	Conduit bond
Federal Labor Standards (Davis-Bacon)	\$2,000 (total project cost)	When funding is of federal origin (CDBG, HOME, ARRA, EEC, etc.), all job site construction workers (including owners) whose duties are physical or manual must be paid weekly minimum prevailing wage rates (including fringe benefits). Weekly certified payroll submission is required.	<ul style="list-style-type: none"> Housing projects with 7 or fewer units assisted with CDBG funds – [11 or fewer units assisted with HOME funds]. Demolition without future reuse is exempt. <i>No exemptions for commercial projects.</i>
HUD Section 3	Any amount of HUD funding (CDBG, HOME, NSP, HOPWA grants, etc.). Contractors share responsibility at \$100,000 construction contract.	When certain federal funding is used (most often CDBG, CDBG-R, HOME, NSP), Section 3 requires that grantees, developers, contractors, and subcontractors direct employment and economic opportunities, to the greatest extent feasible, toward low- and very low-income persons (Section 3 resident) and businesses that provide economic opportunity to Section 3 residents (Section 3 business concerns).	None
Limited English Proficiency (LEP)	All federal financial assistance	Requirement to provide meaningful access to PED programs, services and activities to persons with limited English proficiency.	None
Living Wage	\$100,000	In 2022, living wage at 130% of the poverty level for a family of four is \$17.34 per hour or	Small businesses with <ul style="list-style-type: none"> 20 or fewer full time employees,

Compliance	Thresholds	Requirements	Exemptions
(City Ordinance Administrative Code Chapter 98)		110% (\$14.68 per hour) if health benefits are provided. Wage rates change annually. Duration is longer of three years or length of subsidy.	<ul style="list-style-type: none"> gross revenues of less than \$1,000,000 or if professional/technical business then gross revenues less than \$2,500,000 <i>No exemptions for housing</i>
Low Income Housing Tax Credits – 9% (see Bonds for thresholds and requirements for 4% tax credits)	All	None	
Project Labor Agreements (PLA)	\$250,000 (Effective June 4, 2009.)	Building and construction projects, parks, public works	Conduit bond
Sustainable Building Policy	More than \$200,000. All new construction projects and renovation projects of 10,000 sf and greater, and certain projects that include adding square footage to an existing building	Must be certified under one of the eligible green building standards and comply with the Saint Paul Overlay. See Ordinance that became effective July 1, 2018.	Conduit bond except for multi-family housing revenue bonds.
PED/HRA Sustainability Initiative	All newly constructed commercial buildings over 15,000 square feet AND	Participate in Xcel Energy Design Assistance	Does not apply if complying with the Sustainable Building Policy
	All new multifamily buildings AND	Participate in Xcel Energy Design Assistance or ENERGY STAR New Homes	
	All rehab of single-family and duplex properties	Participate in Home Performance with ENERGY STAR	
Two Bid Policy	\$20,000	Requirement to obtain two bids from general contractors and subcontractors; award contract to lowest responsible bidder.	Exemption of process followed for negotiated contract with general contractor.
Vendor Outreach Program (VOP)	a) Total project cost in excess of \$50,000 or more, regardless of City contribution (eg: if there is a STAR grant award of \$25,000 and the total project cost is \$60,000, VOP applies). b) Sales made under HRA Land Disposition Policy	Project goals set on a project-by-project basis. Generally, 25% of Business Opportunities should be awarded to CERT certified Small, Women-owned and Minority-owned businesses, with at least 10% awarded to Small businesses, at least 10% awarded to Women-owned businesses, and at least 5% to Minority-owned businesses. B2Gnow reporting required. If at any time the project is not meeting the VOP goals, then Good Faith Efforts are required	None

Attachment C

PED and HRA FEES

**Fees related to Development Projects, TIF, Bonds, Pass-Through Grants, Land Sales and Other Financing
Revised March 2022**

Type of Fee	Development Project	TIF Bonds/Notes	Other City/HRA Loans/Grants (1)	HRA Land Sales & Notes	Pass-Through Grants (2)	Conduit Revenue Bonds	Satisfactions, Subordination, or Modification	STAR	Home Loan Fund	Low Income Housing Tax Credits	Tax-Forfeit Land Sales/MnDOT transfers
Application Fee	<p><u>TDC Fee</u></p> <p><\$500K \$500 <\$1M \$1,000 <\$2M \$2,000 <\$3M \$3,000 <\$4M \$4,000 <\$5M \$5,000 <\$6M \$8,000 <\$7M \$11,000 <\$8M \$15,000 <\$9M \$20,000 <\$10M \$25,000 >=\$10M \$30,000</p> <p>Collect 20% at the time of application and the remaining 80% prior to HRA board approval</p> <p>Fees are non-refundable</p>	<p>In Development Project Application Fee</p>	<p>In Development Project Application Fee</p> <p>(not allowed if exclusively using HOME or CDBG funds)</p>	<p>In Development Project Application Fee</p>	<p>Brownfields Grants (DEED and/or Met Council): \$750 for one app; \$1,225 for more than one app for same project during same round of funding</p> <p>LCDA Grants: - LCDA-TOD-Predevel: \$750 for one app; \$1,225 if more than one for same project; - LCDA or LCDA/TOD Develop: \$750 for each Project Concept Plan; \$500 add'l for Final App</p>	<p><u>Size Fee</u></p> <p>< \$1M \$3,500 >= \$1M \$5,000</p> <p><u>Host Approval Size Fee</u></p> <p>< \$1M \$3,500 >= \$1M \$5,000</p>	<p><u>Satisfactions:</u> no initial fee \$50 for duplicates</p> <p><u>Subordination/Modification:</u> - Owner Occupied/Home Ownership \$100</p> <p>- All Other 0.5% on outstanding balance with a min \$200 (capped at \$500 for qualifying requests (3))</p> <p>(not allowed for HOME or CDBG funds)</p>	<p>\$75 for requests up to \$25,000; \$125 for requests more than \$25,000</p>	<p>See separate document</p> <p>(not allowed for HOME or CDBG funds)</p>	<p>9%: Nonprofits: \$700</p> <p>For-Profits: \$700 or \$30/unit whichever amount is greater with a maximum of \$2,000</p> <p>4%: N/A</p> <p>[All fees and charges for LIHTC Program are outlined in the HTC Procedural Manual]</p>	N/A
Developer Expense Deposit	<p>Negotiated, not less than \$20,000 if TIF is requested.</p> <p>Unused amount refunded</p>	<p>Minimum of \$20,000</p>	<p>Negotiated</p>	<p>Negotiated</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>Pays all Real Estate out-of-pocket costs to close, includes City Attorney's fees</p>
Closing Fee	<p>N/A-refer to individual source</p>	<p>1.0% of Gross Bonds/Notes includes PAYGO's</p>	<p>1.0% of principal amount of loan or grant</p> <p>(not allowed for HOME or CDBG funds)</p>	<p>The greater of: 1.0% OR - \$600 for SF - \$1,200 for other structure <1,500 sf - \$2,000 for other structure >1,500 sf</p>	<p>1.0% of principal amount of loan or grant</p> <p>0.5% State Appropriated Bond/Grant amount up to \$50,000.00</p>	<p><u>Non-Profit Borrower</u> 0.25% of gross bonds</p> <p><u>Housing Revenue Bonds (For-Profit Borrower)</u> 1.0% of gross bonds plus <u>MMB Appl Fee</u> equal to \$20 per \$100,000 of volume cap issued</p> <p><u>Host Approval (BQ Bonds)</u> 0.25% of gross bonds</p>	<p>N/A</p>	<p>1.0% of principal amount of loan or grant</p>	<p>1% for MHFA Fix-up Loans (not allowed for HOME or CDBG funds)</p>	<p>1.5% of HTC allocation</p>	<p>- \$600 for single family - \$1,200 for other structure <1500 sq ft - \$2,000 for other structure >1500 sq ft</p>

Attachment C

Type of Fee	Development Project	TIF Bonds/Notes	Other City/HRA Loans/Grants (1)	HRA Land Sales & Notes	Pass-Through Grants (2)	Conduit Revenue Bonds	Satisfactions, Subordination, or Modification	STAR	Home Loan Fund	Low Income Housing Tax Credits	Tax-Forfeit Land Sales/MnDOT transfers
Annual Service Fee	N/A-refer to individual source	TIF Monitoring Fees may be charged to cover outside contracting entities	Negotiated, depends on terms	Negotiated, depends on loan terms	Negotiated, depends on loan terms	<p><u>Non-Profit Borrower:</u> 0.25% of bonds outstanding on 1st \$10M plus 0.125% of balance of bonds outstanding*</p> <p><u>Housing Revenue Bonds (For Profit Borrower):</u> - Bonds with a term five years or less: 0.25% of bonds outstanding* due six and twelve months after issue date; plus 0.75% of bonds outstanding* due 18 months from issue date and each six months thereafter - Bonds with a term longer than five years: 0.25% of bonds outstanding due on each annual anniversary* * bonds outstanding is calculated 30 days prior to due date</p> <p><u>Host Approval</u> No on-going fees</p>	N/A	N/A	See separate document	Applicant responsible for all monitoring fees	N/A
HRA/City Attorney Office	\$100 per hour for Dev. contract/ loan agreement work	\$1,500	N/A	N/A	N/A	\$1,500 [to PED] <u>Host Approval</u> \$1,500 [to PED]	\$1,500 for Assignment of TIF Note	N/A	N/A	N/A	N/A
HRA Counsel (Outside Counsel)	In Developer Expense Deposit for TIF related	In Developer Expense Deposit	N/A	N/A	N/A	Negotiated, if applicable	N/A	N/A	N/A	Applicant responsible for all legal costs	N/A
Bond Counsel	If applicable, selection recommendation by staff; approval by HRA Exec. Director and HRA Attorney	Fee paid by Developer	N/A	N/A	N/A	Fee paid by Developer	N/A	N/A	N/A	N/A	N/A

(1) Both interim and permanent loans and grants include CDBG, HOME, and HRA sources. (2) Includes DEED, Met Council, LCDA, Ramsey County, etc.

(3) A request qualifies for the maximum fee of \$500 if the request is for an affordable rental housing project that extends the affordability at least 15 years

COMMENTS

Within PED, only the Director or her/his Assignee have the authority to waive fees. Any waived fees should be disclosed to the Credit Committee and the HRA Board at the time of approval.

ATTACHMENT D

Request for Balance of Application Fee and Expense Deposit and Acknowledgement of Specific Compliance Requirements (2nd Developer Letter)

[TO BE SUBMITTED ON HRA 'S LETTERHEAD]

Insert applicant's name and address)

RE: *(Description of Project)* ("Project")

Dear:

Request for Balance of Application Fee

HRA/PED is now requesting the balance of your non-refundable Application Fee in the amount of \$ _____ (i.e., 80% of total Application Fee) in connection with the Project. Please send this amount to the Project Manager within five (5) days of this letter.

Staff has completed its review of your application and is now prepared to present a financing proposal to the HRA Board of Commissioners for consideration and approval that consists of the following City/HRA funds:

By signing this letter, you understand that you are not entitled to any refund or rebate of any amount of this entire Application Fee under any circumstances. You acknowledge and understand that the total Application Fee is based on the Total Development Costs (TDC) of the Project on a sliding scale and if the TDC increases after the collection of the Balance of Application Fee and on or before the closing such that a greater fee would be due, the HRA reserves the right to request the additional amount at the closing.

Expense Deposit

In addition to the Application Fee, you have agreed to be responsible to pay any and all expenses and costs already incurred or to be incurred by the City and HRA for bond counsel, outside legal counsel, financial advisors, appraisers, and other consultants, and all other out-of-pocket expenses and costs in connection with the Project. You are also requested to send to us the balance of the Application Fee and any additional requested Expense Deposit in the amount of \$ _____ which will be used to pay the expenses and costs described in the preceding sentence. You further agree from time to time and upon our request to deliver additional amounts for the Expense Deposit if the current amount of Expense Deposit is depleted. Any unused portion of the Expense Deposit will be returned to you. If TIF financing is being used in the Project, you understand that in order to qualify as a TIF district the Project must meet at a minimum the requirements of Minnesota Statutes.

Applicable Compliance

We will identify below the specific compliance areas that you must satisfy for the Project.

You further acknowledge that if you commence construction work on the Project before HRA Board/City Council approval and execution of a written agreement, and you have failed to fully comply with the applicable compliance, that you run the risk that the HRA/City will not provide any financial assistance to the Project or execute any agreement.

You now acknowledge and agree to the specific compliance requirements that are applicable to the Project, provided however that if other City/HRA funding sources are identified and approved for your Project these compliance requirements may be amended to reflect those additional sources:

I. VENDOR OUTREACH PROGRAM, CHAPTER 84 of the Saint Paul Admin. Code

Applicable Not Applicable

If applicable:

The Vendor Outreach Program business inclusion goals on the Project are the following:

5% MBE, 10% WBE and 10% SBE

II. AFFIRMATIVE ACTION, CHAPTER 183.04 of the Saint Paul Legislative Code

Applicable Not Applicable

If applicable:

The goals for minority and female construction worker participation on the Project are the following:

- 1. 20% Female**
- 2. 32% Minority**

III. LABOR STANDARDS—FEDERAL, STATE or CITY DAVIS-BACON

Applicable Not Applicable

If applicable: the rates to be used are: federal state city

IV. SUSTAINABLE BUILDING POLICY OR SUSTAINABILITY INITIATIVE

Applicable Not Applicable

V. TWO BID POLICY

Applicable Not Applicable

VI. SECTION 3

Applicable Not Applicable

VII. PROJECT LABOR AGREEMENT

Applicable Not Applicable

VIII. SAINT PAUL’S LIVING WAGE ORDINANCE

Applicable Not Applicable

If applicable:

The 2018 Living Wage applicable to the Project is \$ 15.69 or \$13.27 if employer-paid basic health insurance is provided.

We agree to pay all covered employees not less than this Living Wage amount for the longer of three years or the length of the public assistance- which is [number] years.

IX. BUSINESS SUBSIDY

\$150,000 for wage and job goals Applicable Not Applicable

\$25,000 for reporting on grants Applicable Not Applicable

\$75,000 for reporting on loans Applicable Not Applicable

X. COMPLIANCE AGREEMENT FOR CONDUIT BONDS

Applicable Not Applicable

XI. AFFIRMATIVE FAIR HOUSING MARKETING PLAN (AFHMP)

Applicable Not Applicable

If applicable, instructions for preparing an (AFHMP) can be found at the following web site:
http://www.mnhousing.gov/idc/groups/public/documents/document/mhfa_005853.rtf

Acknowledgement

You also understand and acknowledge that the acceptance of the balance of Application Fee and Expense Deposit and identification of applicable compliance by the HRA does not (a) constitute or create an agreement by the City of Saint Paul or the HRA to approve the Project or grant any financing for the Project, or (b) constitute any representation by the City or HRA that it will approve the Project or agree to provide financing, or c) create any legal or equitable cause of action against the City and HRA arising from any failure or refusal by the City and HRA to approve the Project or any financing for the Project. Instead, you acknowledge and agree that a legally binding contract will be formed only upon formal approval of the Project by the HRA Board of Commissioners and execution of a legally binding agreement, the terms of which will be discussed with HRA and City staff. Also, you agree not to make any waiver or estoppel arguments to have the Application Fee or Expense Deposit returned to you or to impose any agreement or binding legal obligation on the City or HRA.

Thank you for your interest in investing in Saint Paul.

[Signed by HRA Project Manager

Acknowledgement by Applicant
(insert applicant's name)

The undersigned applicant hereby acknowledges receipt of this letter and agrees to be bound by the terms hereof.

By _____

Its _____

Date: _____, 20__

ATTACHMENT E

HOUSING AND REDEVELOPMENT AUTHORITY (HRA) OF THE CITY OF SAINT PAUL TAX INCREMENT FINANCING STAFF GUIDELINES *(Amended January 4, 2017)*

Tax Increment Financing Staff Guidelines

The City of Saint Paul HRA (HRA) will consider the use of tax increment financing as a means to achieve certain City-wide goals. These goals include:

1. Enhancing private sector employment growth and job retention of living wage job opportunities,
2. Increasing the city's tax base,
3. Upgrading obsolescent facilities,
4. Pollution remediation,
5. Expansion of life cycle and affordable housing choices,
6. Eliminating blighting influences throughout the city, and
7. Encouraging redevelopment activities that enhance the urban features and amenities and historic structures.

The HRA will consider the following criteria when reviewing TIF applications:

1. The project shall meet the legislative criteria and intent for the use of tax increment financing.
2. The HRA will provide public financial assistance through the use of TIF only:
 - a. When a clear public purpose is served;
 - b. To the degree necessary to accomplish the desired goal;
 - c. Upon completion of an in-depth analysis to ensure that the proposed project satisfies the "but for" test required for all tax increment financing; and
 - d. In cases where the economic feasibility of the project can be demonstrated and where there are no other appropriate funding sources.
3. It is the HRA's objective that projects receiving TIF will receive no more than 90% of the tax increment generated and will contribute an additional 25% to an affordable housing pool when applicable.

4. The City and HRA have an informal policy to keep captured tax capacity in Saint Paul TIF districts to less than 10% of the City's total tax capacity (including Port Authority administered TIF districts). Staff will determine the projected change to the captured percentage with the request for tax increment financing.
5. The HRA will seek repayment of the public investment to the maximum extent feasible.
6. With project financing using TIF the HRA shall also consider the following:
 - a. Maximize all outside debt and equity sources;
 - b. The barriers to private sector involvement which make it necessary for the use of TIF; and
 - c. The project's financial feasibility and private guarantees which protect the HRA's investment ensuring increased tax base upon decertification of the TIF district.
7. Tax Increment will be structured based on further discussion and negotiations with HRA staff.

TIF Note Risk Factors/Requirements

1. The HRA makes no representations or promises that the pledged tax increment will be sufficient to pay the amounts which may become due and payable under the Note. The applicant/developer will be required to acknowledge receipt of risk factors that can limit the amount of available tax increment that can be used to make payments under the Note.
2. The HRA requires that at any one time there can be only one holder of the Note and all payments under the Note shall only be made to one person/entity. In addition, the holder of the Note is permitted to make a collateral assignment of the Note as security for debt incurred in connection with the project but only one such assignment may be in effect at any one time. Each assignee of the Note will be required to execute an acknowledgement and receipt of note that includes the risk factors.
3. The HRA shall issue only one TIF note per TIF district.

ATTACHMENT F

Saint Paul Housing and Redevelopment Authority (HRA) Conduit Revenue Bond Application Process and Procedures

TIMING OF APPLICATION SUBMISSION

Applicants for Conduit Revenue Bond financing should coordinate the submission of documents through the Project Manager assigned to the Project. Applications are accepted throughout the year as follows:

- Requests for Housing Revenue Bonds requiring volume cap – contact the PED Housing Director;
- For all other requests, i.e., a Qualified 501(c)3 entity – contact Jenny Wolfe, the HRA Debt Manager by phone at 651-266-6680 or email at jenny.wolfe@ci.stpaul.mn.us;

An initial meeting between HRA staff and the borrower is held to discuss the Project and Proposed Financing Plan, Public Purpose, Financing Team including Bond Counsel and Underwriter.

The Applicant shall submit the Application with all requested exhibits (“Application Materials”) and the Acknowledgement Letter. Incomplete applications will not be considered. Once complete, a bond processing schedule will be established.

The first step in the approval process requires a public hearing and request for preliminary approval of the Project. For housing projects, the City Council is required to conduct the public hearing and provide preliminary approval of the Project. For non-housing projects, the HRA Board of Commissioners must conduct the public hearing and provide preliminary approval of the Project. A public hearing notice must be published in one or more newspapers no less than fifteen (15) days prior to the date of the public hearing.

The City Council holds public hearings on the 1st and 3rd Wednesday of each month; and the HRA Board holds public hearings at their regular monthly meetings on the 2nd and 4th Wednesday of each month. At a minimum the Application Materials shall be submitted to the HRA 30 days prior to the hearing date to be considered.

Additionally, all requests for Conduit Revenue Bonds must be reviewed by the internal PED Credit Committee to ensure adherence to all policies regarding fees and sale requirements. A request shall be reviewed by the Credit Committee a minimum of two weeks prior to the date of the public hearing.

Following City Council or HRA Board preliminary approval, final approval of the bonds and approval of all required documents shall be requested from the HRA Board of Commissioners. The HRA Board will only consider final approval when final sizing is determined including maximum interest rates.

REQUIRED FEES

The HRA charges the following fees for Conduit Revenue Bonds:

1. Application Fee:
 - \$5,000 for bond principal amount greater than or equal to \$1 million dollars (\$3,500 if less than \$1 million dollars). This Application fee is paid at the time the application is submitted to the assigned PED Project Manager.
2. Fees due at the Closing:
 - For Housing Revenue Bonds requiring volume cap:
 - One percent (1.00%) of total principal issued; and
 - State Bond Application Fee which is equal to \$20 for every \$100,000 of bond principal issued when the principal amount is rounded to the nearest \$100,000;
 - For Qualified 501(c)3 Borrowers:
 - One-quarter of one percent (0.25%) of total principal issued;
 - A fee of \$1,500.00 for all services rendered by the HRA Attorney with respect to the Project.
3. Ongoing Fees:
 - For Housing Revenue Bonds requiring volume cap AND with a final maturity of 5 years or less:
 - On the date which is six months from the closing date, a fee equal to one-quarter of one percent (0.25%) of the bonds outstanding 30 days prior to the due date; and
 - On the date which is twelve months from the closing date, a fee equal to one-quarter of one percent (0.25%) of the bonds outstanding 30 days prior to the due date; and
 - Beginning on the date which is 18 months from the closing date and continuing every six months thereafter, a fee equal to three-quarters of one percent (0.75%) of the bonds outstanding 30 days prior to the due date.
 - For Housing Revenue Bonds requiring volume cap AND with a final maturity longer than 5 years:
 - Beginning on the first anniversary of the closing date, and continuing each year thereafter, a fee equal to one-quarter of one percent (0.25%) of the bonds outstanding 30 days prior to the due date.
 - For Qualified 501(c)3 Borrowers:
 - Beginning on the first anniversary of the closing date, and continuing each year thereafter, a fee equal to one-quarter of one percent (0.25%) of the first \$10,000,000 of bonds outstanding plus one-eighth of one percent (0.125%) of the balance of bonds outstanding greater than \$10,000,000, the bonds outstanding is determined 30 days prior to the due date.
4. A document will be prepared by the Underwriter/Placement Agent/Lender to be submitted and confirmed by the HRA which will set forth all fees to be paid by the Applicant during the term of the Bonds.
5. The payments of all Closing Fees are due at Closing and are not credited to the Borrower for the Application Fee or any other PED/HRA fees previously paid.

ADDITIONAL BOND REQUIREMENTS

1. The HRA shall approve the firm to serve as Bond Counsel.
2. The HRA requires Bonds for Public Sale to be sold with the following Minimum Denominations:
 - Investment Grade debt – BBB+/- or Higher (Fitch and S&P) or Baa 1, 2, 3 or Higher (Moody's) – may be sold with minimum denominations of \$5,000.
 - High Non-Investment Grade debt – BB+/- (Fitch and S&P) or Ba 1, 2, 3 (Moody's) – may be sold with minimum denominations of \$25,000.
 - Non-Investment Grade debt – B+/- or lower (Fitch and S&P) or B 1, 2, 3 or lower (Moody's) may only be sold with minimum denominations of \$100,000.
 - Non-Rated Debt – If the Underwriter/Placement Agent requests non-rated debt for public sale, the bonds may only be sold with minimum denominations of \$100,000. The Underwriter/ Placement Agent on behalf of the Applicant must submit a written request for such approval that provides a rationale on why the proposed Bonds cannot receive a rating and any additional information as the HRA and Director of OFS will request in order to evaluate the request. The written request should be addressed to the HRA Executive Director and Director of the OFS, with a copy to the City and PED Debt Managers.
 - Exceptions – Non-rated debt for 1) Hospitals, 2) Large nonprofits (defined as an entity that is backing the bonds without limitations and generates annual revenues in excess of \$100 million per year) and 3) Large for-profits (defined as an entity that is backing the bonds without limitations and generates annual revenues in excess of \$200 million per year) may be sold with minimum denominations of \$25,000.
3. Investor Letter – The HRA at its sole discretion may require each initial purchaser of the Bonds to execute an Investor Letter as an “accredited investor” as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933 (the “1933 Act”) or a “qualified institutional buyer” as defined in Rule 144A promulgated under the 1933 Act. The form of the Investor Letter will be provided by the HRA.
4. Closing, Execution of Documents – The Bond Counsel will notify the HRA of the closing date with as much advance notice as possible. All documents for City/HRA signature need to be sent to the Project Manager at least ten (10) days prior to the closing date.

CONDITIONS OF THIS REQUEST FOR OFFERS

1. ADDENDA - RIGHT TO WITHDRAW REQUEST FOR OFFERS

The HRA reserves the right to add to, amend, withdraw, and/or cancel, in part or entirely, this Request for Offers for any reason and at any time with no liability to any prospective Proposer for any costs or expenses incurred in connection with the Request for Offers or otherwise. If any part of the Request for Offers is revised, addenda to the Request for Offers will be posted on the City's website.

2. PUBLIC RECORD/CONFIDENTIALITY

Information supplied by each Proposer to the HRA is subject to the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13 (the "Act"). Proposals submitted become a matter of public record as set forth therein.

Such information shall become public unless it falls within one of the exceptions in the Act, such as security information, or labor relations information pursuant to Minnesota Statute, Section 13.37. If the Proposer believes any nonpublic information will be supplied in response to the Request for Proposals the Proposer shall take reasonable steps to identify and provide reasonable justification to the HRA regarding which data, if any falls within exceptions to the Act. However, the Proposer agrees as a condition of submitting a proposal that the HRA will not be held liable or accountable for any loss or damage which may result from a breach of confidentiality as may be related to the response submitted.

The HRA will not consider any cost information and references submitted by the Proposer to be nonpublic, confidential or trade secret material. Simply stating that the document is confidential or making a blanket claim of confidentiality without proper supporting justification is also not a valid reason to declare the document confidential.

3. AWARD

The HRA reserves the right to reject any and all proposals. If the HRA decides to select a proposal, the HRA will select a proposal by the qualified Proposer whose proposal the HRA determines best meets the needs of the HRA. Offer price is only one consideration of the proposal consideration, and the HRA reserves the right to award a contract for sale to a Proposer other than the highest offer price.

4. OWNERSHIP OF SUBMISSION MATERIALS

All materials submitted become the property of the HRA and will not be returned.

5. PROPOSER'S COSTS

The HRA shall not be responsible for any costs incurred by Proposers in connection with this Request for Offers. Proposers shall bear all costs associated with proposal submission, submission and attendance at interviews, if any, or any other activity associated with the Request for Offers or otherwise.

6. WAIVER OF CLAIMS

No Proposer shall have a right to make a claim against the HRA or the City of Saint Paul in the event the HRA accepts a proposal or does not accept any or all proposals. The HRA by this Request for Proposals does not promise to accept the highest offer or any other proposal and specifically reserves the right to reject any or all proposals, to waive any or all informalities or irregularities in the proposals received, to investigate the qualifications and experience of any Proposer, to reject any provisions in any proposal, to modify Proposal contents, to obtain new proposals, and to negotiate the requested proposal and contract terms with any Proposer.

7. CONFLICT OF INTEREST

Proposer's response to this Request for Proposals indicates compliance with Chapter 24.03 of the Saint Paul Administrative Code: "Except as permitted by law, no City official or employee shall be a party to or have direct financial interest in any sale, lease, or contract with the City." Should any such conflict or potential conflict become known to the Proposer, it must immediately notify the City of the conflict or potential conflict, specifying the part of this Request for Offers giving rise to it, and advise the City whether the Proposer will or will not resign from the other engagement or representation. Violation of this provision may result in rejection of an otherwise complete proposal. Proposers are not to collude with other Proposers, competitors or take any other action that will restrict competition.

8. CLARIFICATION

The HRA reserves the right to contact any or all Proposers for clarification regarding information presented in submitted proposals.