

To: **Mayor and City Council**  
Through: **Ryan Schroeder, City Manager**  
From: **Jim Hartshorn, Community Development Director**  
Date: **June 22, 2020**

## **Housing Improvement Area (HIA) Program Discussion**

### **BACKGROUND INFORMATION:**

As you know, one of the City Council's new initiatives includes improvement of the City's Housing stock. One option to accomplish this goal could be the creation of a Housing Improvement Area (HIA). This is an area defined by the City where housing improvements in a condominium or townhome association are made through a low-interest loan from the City.

Staff was contacted by the President of "The West" apartment complex (1450 Bidwell), asking for West St. Paul's consideration to create an HIA.

The property has some deferred maintenance items beyond the ability of the Housing Association to fund without third party involvement. Staff believes there are other associations that would move forward with improvements to their buildings if an HIA existed. If the Council would like to move forward, the association would need to petition its membership (65%) to move forward with an application to the City. The funds would come from a bond issued by the City, and the City would take on the role as the bank. Payments to associations would be in the form of a low-interest loan, and the City would perform the due diligence (for a small fee). The costs are paid through a special assessment on the property taxes. Staff met with representatives from the City of Oakdale and they provided the attached information detailing their HIA program.

**FISCAL IMPACT:** N/A.

### **STAFF RECOMMENDATION:**

Review and provide direction.

### **ATTACHMENTS:**

1. The following attached information was provided from the City of Oakdale:
  - a. Housing Improvement Area Information Sheet
  - b. Sample HIA Program Checklist
  - c. HIA Initial Application
  - d. HIA Submittal requirements and Schedule