

Memorandum of Understanding

This Memorandum of Understanding (“Memorandum”) is made and entered by and between the Housing and Redevelopment Authority of the County of Ramsey, Minnesota (the “HRA”), and the County of Ramsey (“County” or “Ramsey County”).

Recitals

WHEREAS, the HRA wishes to purchase a tax-forfeited property located in the city of Saint Paul, PIN: 32-29-22-11-0017 (the “Property”), also known as 735 Margaret Street, for less than its market value for the purpose of developing affordable housing; and

WHEREAS, the HRA can purchase the Property for less than market value only if the Property will be used for the development of affordable housing; and

WHEREAS, the County is willing to accommodate the HRA’s request to purchase the Property on the terms and conditions contained in this Memorandum.

NOW THEREFORE, in consideration of the recitals, and other good and valuable consideration, and intending to be legally bound, the HRA and County agree as follows:

1. The HRA has provided to the County its specific plans for developing affordable housing on the Property and the specific law or laws that empower it to acquire the Property in furtherance of those plans.
2. The County has served as the developer of the Property.
3. The County Assessor has determined that the Property has a current market value of \$355,000. In consideration of the Property’s use for affordable housing, the County will sell the Property to the HRA for 25% of its market value, which is \$88,750 plus maintenance costs and recording fees.
4. The HRA agrees to sell or otherwise convey the Property for affordable housing to only a “qualified homebuyer”, which is defined as a buyer agreeing to continuously occupy and homestead the Property and whose household income does not exceed 80% of the area median income as adjusted for family size. Income qualification must only be satisfied at time of the written application by the qualified homebuyer.
5. Any resale of the Property by the initial qualified homebuyer during the seven (7) years after the purchase of the Property by the initial qualified homebuyer must be to another qualified homebuyer.
6. The HRA will place a Declaration of Conditions and Restrictions of record to assure compliance with sections 4 and 5 of this Memorandum. The HRA shall


require in its purchase agreement with the qualified homebuyer that if the qualified homebuyer fails to maintain the Property as the homebuyer's homestead as set forth in Section 4 above, the qualified homebuyer is liable for a pro-rated share of the Property's discounted market value paid by the qualified homebuyer to be repaid to the County. The HRA will either enforce the Declaration or the terms of its purchase agreement with the qualified homebuyer. Ramsey County has no obligation to enforce the Declaration.

7. The income qualification requirements set forth in Section 4, as well as the Declaration described in Section 6 and accompanying provisions to recapture benefits will terminate upon occurrence of any of the following events: foreclosure, transfer in lieu of foreclosure, or assignment of an FHA insured mortgage to HUD or to a conventional mortgage lender.
8. The County will continue to provide law and snow maintenance on the Property until the HRA conveys the Property to the qualified homebuyer. The County will pay all utilities for the Property until the HRA conveys the Property to the qualified homebuyer.

[SIGNATURE PAGE FOLLOWS]


IN WITNESS WHEREOF, the HRA and County have executed this Memorandum by its authorized representatives as of the last date written below ("Effective Date").

**RAMSEY COUNTY HOUSING AND
REDEVELOPMENT AUTHORITY**


By: 
Mai Chong Xiong, Chair
HRA Board of Commissioners

Date: 8/21/2023

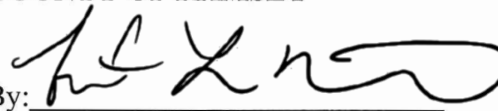
Approval recommended:

By: 
Kari Collins, Director
Community and Economic
Development Department


Approved as to form:


Civil Division Director
Date: July 28, 2023

COUNTY OF RAMSEY


By: 
Trista MatasCastillo, Chair
Board of County Commissioners

Date: 8/21/2023

By: 
Mee Cheng, Chief Clerk
Board of County Commissioners

Date: 8/21/2023

Approval recommended:

By: 
Tracy West
County Auditor/Treasurer

Approved as to form:


Assistant County Attorney
Date: July 28, 2023

This instrument was drafted by:
Ramsey County Property Tax, Records & Election
Services, Productive Properties
90 Plato Blvd. W.
St. Paul, MN 55107