

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA

REPORT TO THE COMMISSIONERS

DATE: APRIL 25, 2012

**REGARDING: AUTHORIZATION TO APPROVE THE SALE AND CONVEYANCE OF
PARCEL 738 BRADLEY STREET UNDER THE ISP/NSP PROGRAM,
PAYNE-PHALEN DISTRICT 5.**

Requested Board Action

Authorization for the sale and conveyance of splinter Parcel 738 Bradley Street to Shirley Thompson.

Background

In November, 2011, the Ramsey County Tax Forfeit Department provided PED staff with the annual list of tax forfeited properties that became available as of August, 2011 for acquisition from Ramsey County under Minnesota Statutes 282.01 and 469.201 Subd.10. Several tax forfeited parcels were identified and placed on hold by the City of St. Paul Resolution 12-123 on January 26, 2012. Placing properties on hold provides staff with six months to fully investigate the properties and develop acquisition recommendations. We are able to move forward and request acquisition of the properties anytime during the hold period once Ramsey County has provided us with the acquisition price.

On March 14, HRA approved the acquisition of five (5) tax forfeit properties by Resolution 12-511. It is the intent of HRA to move tax forfeit properties as quickly as possible and get them back on the tax rolls. The property at 738 Bradley is a small lot with less than 40 feet of frontage, with topography that creates drainage issues - high at the alley and dropping to the street. The property meets the HRA definition of a "splinter parcel" as approved by HRA under the Guidelines for Disposition of Splinter Parcels, Resolution 93-8/24-2 and reaffirmed by HRA on September 28, 2011 by Resolution 11-1810. The property is located within the ISP/NSP area of Railroad Island and identified by the community to provide additional side-yard space for the adjacent homeowner at 740 Bradley. HRA currently owns two (2) houses in that block; 745 Bradley is nearing completion and will be offered for sale for homeownership; rehabilitation of

752 Bradley is underway; 753 Bradley has an executed purchase agreement and will be closing this month (for rehab and resale); 749 Bradley is vacant and foreclosed, and the HRA is working with the lender; and 742 Bradley was recently rehabilitated by the homeowner in combination with Dayton's Bluff NHS Home Improvement program. The two block faces have 13 structures. Four are vacant/foreclosed and being addressed through HRA. The remaining nine structures consist of three owner-occupied homes and six rental properties providing 12 rental units. The community wants to make every effort to support home ownership.

Ramsey County put a value of \$4,000 on this lot and the property owner, Shirley Thompson, has submitted a proposal to purchase this splinter parcel for a pass-thru price of \$4,000. Shirley Thompson has maintained this property for the past six years since the vacant structure on it burned down and almost destroyed her home. The property will be combined with her single family home as additional side-yard.

The sale of this tax forfeit property will insure proper maintenance and immediate ownership bringing it back onto the tax rolls.

Budget Action

No budget action is being requested. HRA took action on March 14 by Resolution 12-511. The purchase price of the property was established by Ramsey County (\$4,000.00) and will be sold to Shirley Thompson at the same cost.

Future Action

No future action will be required. Once the HRA takes action approving the sale of the property, staff will proceed to schedule a closing and convey the property.

Financing Structure

The property is being sold based on the value established by Ramsey County and is being handled as a pass-thru under the Disposition of Splinter Parcels by HRA. HRA will receive full payment of the transaction cost.

PED Credit Committee Review

Credit Committee review is not a requirement of the sale of property.

Compliance

N/A. Splinter parcel pass through for side-yard use.

Green/Sustainable Development

N/A. Splinter parcel pass through for side-yard use

Environmental Impact Disclosure

The Tier 1 environmental review determined that all activities were either exempt or categorically excluded.

Historic Preservation

This property was found to be in compliance with all applicable regulations.

Public Purpose/Comprehensive Plan Conformance

This action supports all three strategies of the Housing Chapter of the City's Comprehensive Plan: 1) build on Saint Paul's strengths in the evolving metropolitan housing market; 2) preserve and promote established neighborhoods; and 3) ensure the availability of quality and affordable housing across the City.

This purchase, rehab and sale of this property supports the goal of the ISP/NSP Program/Plan to strategically channel resources into neighborhoods being challenged by recent economic and social downturns and persistent disinvestment including: 1) creating working partnerships among private developers, CDCs, District Councils and neighborhood residents; 2) bringing together resources, time, talent and funding in neighborhoods poised to prosper after a period of disinvestment; 3) reducing the number of vacant houses; 4) rehabilitating or addressing housing units to strengthen the housing stock; 5) improving stability and quality of life in neighborhoods; and 6) building on strengths in Saint Paul's neighborhoods.

Statement of Chairman

Being duly authorized by the Board of Commissioners to conduct this Public Hearing, the hearing is now open. This is a Public Hearing called for the purpose of conveyance of a certain Parcel of land located in Payne-Phalen District 5 by the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (HRA).

Notice of time, place, and purpose of this hearing was published in the Saint Paul Pioneer Press on Saturday, April 14, 2012. The Affidavit of Publication of the Notice of Public Hearing will be made a part of these proceedings.

The HRA proposes to convey the following property in Payne-Phalen District 5:

Property Description	Purchaser/Developer	Purchase Price
738 Bradley Street	Shirley Thompson	\$4,000.00

The above property was purchased by the HRA as a tax forfeit parcel and is being sold as a pass-through for side-yard use (splinter) and is being sold at a fair market value.

Is there anyone who wishes to be heard on this sale? If not, the Chair will declare this Public Hearing adjourned.

Recommendation:

The Executive Director and staff recommend approval of sale in accordance with the attached resolution.

Sponsored by: Commissioner Brendmoen

Staff: Sheri Pemberton-Hoiby (651-266-6615)

Attachments:

- **Attachment A -- Resolution**
- **Attachment B – Background – Disposition of Splinter Parcels**
- **Attachment C-- Map/Address of Project and Photos**

- **Attachment D -- Public Purpose Form**
- **Attachment E -- Census Facts**