

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

REPORT TO THE COMMISSIONERS

DATE: SEPTEMBER 28, 2022

**REGARDING: RESOLUTION APPROVING AND AUTHORIZING THE SALE AND
CONVEYANCE OF A VACANT RESIDENTIAL LOT UNDER THE SAINT
PAUL HOUSING AND REDEVELOPMENT AUTHORITY’S (HRA)
GUIDELINES FOR DISPOSITION OF SPLINTER PARCELS; LAND
LOCATED AT 473 HATCH AVENUE, DISTRICT 6, WARD 5.**

Requested Board Action

Approval to convey the vacant HRA-owned splinter parcel at 473 Hatch Avenue (the “Property”) to Noor Ali Leghari and Hadisa Ali Leghari, who own the adjacent residential property at 471 Hatch Avenue, for the purpose of combining 473 Hatch Avenue with their property to utilize it as a residential side-yard, all pursuant to the Disposition Policy and Procedures for the Sale of Splinter Parcels for Residential Side Yards passed by the Board of Commissioners of the HRA under RES 13-1592 (the “Splinter Parcel Policy”).

Background

In 2005 the HRA acquired the vacant lot at 473 Hatch Avenue, which measures 133’x 25’ (the “Property”), through the Ramsey County Productive Properties Division which allowed for the acquisition of property for future return to the tax roll as potential use of residential side yard by one or both adjacent property owners.

The HRA acquired 473 Hatch Avenue with the intent of future disposition to one or both adjacent landowners for potential extension of existing side-yard area. The HRA Board of Commissioners designated 473 Hatch Avenue as a Splinter Parcel within the HRA’s RES 13-1592, along with other HRA properties, but the Property has remained within the current HRA-owned property portfolio. The Property, at 25 feet in width, is considered unbuildable.

Noor Ali Leghari, owner of adjacent 471 Hatch, approached the HRA in 2022 with concerns of consistent illegal dumping on the lot and inquired about the possibility to purchase for side-yard use. Extensive HRA staff review of the Property indicated that PED staff had previously earmarked 471 Hatch as a “splinter parcel” under the duly adopted Splinter Parcel Policy, making it eligible for sale to one or both of its adjacent property owners for use as a future side yard. At the time of staff review beginning in April 2022, the property located at 475 Hatch, located on the alternate adjacent side of 473 Hatch, was listed for sale and had outstanding code violations, which disqualified the owner of that parcel from buying the Property under the provisions of the HRA Splinter Parcel Policy. The Splinter Parcel Policy does not allow for the owners of ineligible parcels to buy (or be invited to buy) any splinter parcel, nor does it require the HRA to make public notices or conduct public hearings in selling a splinter parcel. Nonetheless, the HRA published a notice of sale and a notice of public hearing in the Saint Paul Pioneer Press on September 18, 2022 and will conduct a public hearing in connection with this proposed sale.

Illegal dumping has occurred many times over the years at 473 Hatch, including multiple times within 2022. The purchase agreement requires that, as a condition to the sale, the Property must be combined with the Buyer’s existing tax parcel and that the HRA Board must approve the sale. The proposed buyers intend to fence the Property to make it more secure as part of lot beautification within their extended side yard that will result after sale. The proposed buyers have been informed in writing that the Property will be added to their tax parcel and that could result in an increase of property taxes. This is consistent with the HRA’s mission to reduce blight and the original intent of the property acquisition to offer the property for future sale as a side-yard. The property will be productively returned to the Ramsey County property tax roll.

The HRA adopted Guidelines for Disposition of Splinter Parcels by the Housing and Redevelopment Authority via Resolution 13-1592, which allows for the sale of parcels that do not meet the minimum single-family frontage requirement of 40’ as required by the Zoning Code. Per the guidelines, staff has notified the District Council of the intent to sell.

Budget Action

N/A

Future Action

There will be no further Board action. Upon approval, HRA staff will proceed with the execution of the purchase agreement and the conveyance of the Property.

Financing Structure

There is no financing. The Property will be sold for the minimal value set forth under the HRA Guidelines for Disposition of Splinter Parcels Resolution 13-1592, which amount the buyers have already deposited with the HRA.

PED Credit Committee Review

Credit Committee review is not a requirement to sell property.

Compliance

There are no compliance requirements associated with this transaction.

Green/Sustainable Development

The Sustainable Building Policy does not apply to this transaction.

Environmental Impact Disclosure

An environmental assessment is not a requirement of this transaction.

Historic Preservation: N/A**Public Purpose/Comprehensive Plan Conformance**

Conveyance of this Property is consistent with plans for the area at the time of original acquisition. Goal 7 of the Housing Chapter within the 2040 Comp Plan highlights the importance of “Strong neighborhoods that support lifelong housing needs.” Goal 7; Policy H-50 states the desire to “balance the market demand for larger homes in strong market areas with the need to maintain a mix of single-family housing types that is sensitive to the surrounding neighborhood context.” Goal 7; Policy H-56 within the Housing Chapter highlights the desire to “Improve the stability and

health of communities of concentrated disadvantage by implementing place-based investments, such as public infrastructure, improvements, and maintenance.” The improvements the buyer of 471 Hatch plan to make will further reduce area blight and secure a parcel previously prone to illegal dumping activity. The buyer may consider homesteading the entire property for a longer time period than initially planned with the addition of side-yard space further providing neighborhood home ownership stability and a stronger community.

Statement of Chairman (for Public Hearing)

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 certain Parcels of land located in North End, District 6 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 September 18, 2022. 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 North End, District 6:

<u>Property Description</u>	<u>Purchasers</u>	<u>Purchase Price</u>
473 Hatch Avenue	Ali Noor Leghari Hadisa Ali Leghari	\$500.00, as per Policy.

The above property will be sold by the HRA by a quit claim deed in its AS-IS condition and according to the Guidelines for the Disposition of Splinter Parcels by the Housing and Redevelopment Authority within Resolution 13-1592.

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 these sales in accordance with the attached resolution.

Sponsored by: Amy Brendmoen

Staff: Claire Pettry, 651-266-6608

Attachments

- **Map**
- **D6 North End Neighborhood Profile**