

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

**REPORT TO THE COMMISSIONERS**

**DATE: MARCH 5, 2025**

**REGARDING: RESOLUTION APPROVING AND AUTHORIZING THE ACCEPTANCE  
OF A LAND DONATION AT 1366 FREMONT AVE FROM WELLS FARGO  
BANK, N.A. IN LIEU OF PAYMENT OF DEMOLITION ASSESSMENT,  
DISTRICT 4, WARD 7**

**Requested Board Action**

Authorization to accept a land donation of property identified as 1366 Fremont Ave from Wells Fargo Bank, N.A. in lieu of payment of \$44,460.68 assessed and certified to Ramsey County for the 2023 demolition of dilapidated buildings on site.

**Background**

The property at 1366 Fremont Ave (the “Property”) is located north of 3<sup>rd</sup> St and east of Johnson Pkwy and is approximately 0.34 acres of vacant land. It has unimproved street frontage to the north, City ponding/drainage area to the east, public alley to the south, and residential property to the west.

Since 1997, the Property was privately owned by a married couple. The City’s Department of Safety and Inspections (“DSI”) received numerous complaints between 2002-2023 of outside storage of junk, trash, vehicles, vehicle parts, and trailers as well as reports of burning of various materials and people living in a lean-to and in inoperable vehicles on site. The husband died in or around 2009 and the wife died in or around 2020. After reports of the owner(s) being deceased, DSI declared the house a Category 1 Vacant Building in 2020. It was upgraded to a Category 2 in February 2021 and a Category 3 in July 2022. DSI issued a demolition permit in August 2023 and used CDBG funds to raze the house, garage, and other structures on the Property in September 2023. The National Objective achieved for the use of CDBG funds was slum/blight-spot basis. The cost of the demolition was assessed to the Property and certified to Ramsey County in the amount of \$44,460.68.

In March 2022, Wells Fargo Bank initiated a foreclosure action on the Property and a Sheriff's Sale occurred in August 2023. The foreclosure action required a one-year redemption period which expired as of July 31, 2024. Wells Fargo contacted the City in April 2024 to gauge interest in accepting the Property as a donation in lieu of payment of the demolition assessment. Given there were CDBG funds used, staff confirmed with the PED grants team that this would be acceptable and there would be no federal requirements attached to the Property.

### **Budget Action**

N/A

### **Future Action**

There will be no further Board action. Upon approval, staff will proceed to enter into the required contract for acceptance of the land donation in lieu of payment of assessment and close on the acquisition.

### **Financing Structure**

DSI used CDBG funds to demolish the buildings on the Property. The National Objective met for the demolition was slum/blight-spot basis. Therefore, the Property will not be subject to federal requirements unless future sale and/or redevelopment of the Property includes any federal funding subsidies. Acquisition closing costs and title insurance will be paid from the HRA General Fund-Acquisition Title Services budget, future holding & maintenance costs will be paid from the HRA General Fund-Maintenance Labor Costs budget, and special assessments will be paid from the HRA General Fund-Other Assessments budget.

### **PED Credit Committee Review**

Credit Committee review is not a requirement to acquire Property.

### **Compliance**

There are no compliance requirements associated with acquisition of the Property.

### **Green/Sustainable Development**

The Sustainable Building Policy does not apply to this transaction.

### **Environmental Impact Disclosure**

An environmental assessment is not a requirement to acquire the Property.

### **Historic Preservation:**

N/A

### **Public Purpose/Comprehensive Plan Conformance**

Acquisition of the Property is consistent with existing and future plans for the area. The Property is in an Urban Neighborhood, is a 10-minute walk to/from the Gold Line BRT Etna Street Station and to/from Harding High School, and is one block from 3<sup>rd</sup> Street where the 63 Bus Line runs from Sun Ray Shopping Center, along 3<sup>rd</sup> Street and Grand Avenue, to St. Paul's border with Minneapolis. Acquisition by the HRA for via donation and the future redevelopment of the Property as housing will allow future occupant(s) access to a variety of employment opportunities, K-12 education, and other neighborhood amenities.

According to the 2040 Comprehensive Plan regarding Land Use, a city-wide goal is to focus investment along transit corridors and promote high-quality urban design. Goal 1: "Economic and population growth focused around transit." Acquisition and future development of the Property will meet the following:

- Policy LU-1 encourages transit-supportive density.
- Policy LU-6 relates to equitable and sustainable economic growth by growing Saint Paul's tax base and developing programs and funding sources for site acquisition.
- Policy LU-34 provides for development of medium-density and smaller multi-family housing that diversifies housing options compatible with the general scale of Urban Neighborhoods.

Goal 7 of the Housing Chapter within the 2040 Comp Plan highlights the importance of "Strong neighborhoods that support lifelong housing needs." Acquisition and future development of the Property will meet the following:

- Policy H-46 provides for supporting development of new housing, particularly in Urban Neighborhoods and/or areas with planned transit service.
- Policy H-56 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.”

**Statement of HRA Chair (for Public Hearing)**

No public hearing required.

**Recommendation:**

The Executive Director recommends approval of the acquisition via donation in accordance with the attached resolution.

**Sponsored by:** Cheniqua Johnson

**Staff:** Jenn Dull, 651-266-8498

**Attachments**

- **Map**
- **District 4 Profile**