

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

REPORT TO THE COMMISSIONERS

DATE: MARCH 12, 2014

REGARDING: AUTHORIZATION TO ACQUIRE VACANT OLD FIRESTATION NO. 24 OWNED BY THE CITY OF SAINT PAUL AT 1720 SEVENTH STREET EAST AND SUBSEQUENTLY CONVEY SAME TO BRIAN KJELLBERG FOR REHAB AND DEVELOPMENT FOR RESIDENCE, GREATER EAST SIDE, DISTRICT 2, WARD 7 (PUBLIC HEARING)

Requested Board Action

The specific actions being requested of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (“HRA”) Board of Commissioners are as follows:

- Authorization to accept conveyance of the vacated, City-owned Old Firestation No. 24 at 1720 Seventh Street East (“City Property”).
- Authorization to convey City Property to Brian Kjellberg (“Buyer”) for rehab and development for permanent residence.

Background

Pursuant to Resolution 13-23, the Saint Paul City Council authorized disposal of old Fire Station No. 24 located at 1720 7th Street East. An independent real estate appraisal valued the City property at \$142,500 and the City of Saint Paul (“City”) subsequently issued a Request for Proposals for the sale. A proposal was received by Buyer to convert the property into his permanent residence. After review of the proposal and some modifications, the City and Buyer agreed on a purchase price of \$75,000 and commitment to invest \$67,500 in capital improvements within the next 12 months. The transaction is also conditioned upon rezoning for residential use and only for residential use. The City Property must at all times be owner occupied. The city property is to be conveyed to the HRA for subsequent conveyance to the Buyer in accordance with Sec. 51.01 (11) of the Administrative code. The City Council approved this conveyance and sale on March 5, 2014 by RES PH 14-47 including the pass thru and conveyance to Buyer through HRA. The HRA will serve as a conduit for this City real estate sale transaction.

Budget Action

No Budget Action is being requested. The property will be acquired from the City and the property will then be conveyed by HRA to Buyer. HRA's fees and costs will be paid by the City at closing.

Future Action

No future action is needed.

Financing Structure

N/A

PED Credit Committee Review

N/A

Compliance

No compliance issues apply. HRA is being used as a pass through for City land pursuant to process approved in RES 11-1810.

Green/Sustainable Development

No green elements apply. HRA is being used as a pass through for City land.

Environmental Impact Disclosure

N/A

Historic Preservation

N/A.

Public Purpose

HRA is being used as a pass through for City land conveyance. The Saint Paul City Council has approved this transaction pursuant to RES PH 14-47.

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 at 1720 E. 7th Street in Greater East Side District 2, Ward 7 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, March 1, 2014. The Affidavit of Publication of the Notice of Public Hearing will be made a part of these proceedings.

Property Description

The HRA proposes to convey the following property in the Greater East Side District 2 area described as:

Lots 14 & 15, Block 1, Kuhl’s 2nd Addition to St. Paul.

Purchaser

Brian Kjellberg

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

Recommendation:

Staff recommends approval to accept and convey 1720 E. 7th St. to Brian Kjellberg.

Sponsored by: Commissioner Lantry

Staff: Cynthia Carlson Heins (266-6608)

Attachments

- **Attachment A -- Resolution**
- **Attachment B -- Map**
- **Attachment C -- Census Facts**