

**TJL Development LLC
2416 Edgumbe Road
St Paul MN, 55116
612-751-1919**

11/2/20

Allison Suhan Eggers
City of Saint Paul
Planning and Economic Development Department
25 West Fourth Street
1400 City Hall Annex
Saint Paul, MN 55102

Re: Redevelopment of 594 Selby Avenue and 156 Dale Street, Saint Paul

Allison,

I am excited to be involved in the redevelopment of two properties located at the south east quadrant of Selby Avenue and Dale Street.

As you know, the two properties, a bare land parcel and a vacant building have been dormant for several years, are in disrepair and pose blight on the neighborhood and community.

Please consider this letter our formal notice and request to appeal the Heritage Preservation Commissions 10/19/2020 decision to prevent demolition of the vacant one story addressed 156 Dale Street to the Honorable City Council to enable further consideration for demolition.

Following is the basis of our appeal:

Secretary of the Interior Guideline 2 as noted in the HPC staff report:

The original building was constructed having the façade on the west side of the property fronting Dale Street. The building façade was / has been remodeled several times, (moved to the east off Dale Street to create parking). HPC staff suggest that since the removal of the façade took place during 1926 then it should be preserved. I suggest allowing the demolition will recreate what was first historically created by replacing a new façade on the original location of that facade. The original windows and window openings on the north and south walls have been altered and blocked in. Therefore, the building does NOT have any remaining historic character, materials, features or spaces that merit or conform with historical standards. The proposed new building is planning to locate the west façade along Dale Street to restore the historical footprint that initially existing when the building was first developed. The new building is also offering to

create historical brick patterning along the new facades to recreate the past ornate masonry detailing that was prevalent during the historical period.

Sec. 74.67 Historic Hill Preservation Guidelines for Demolition as listed in the HPC staff report:

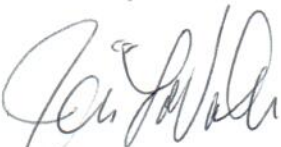
“the effects of the demolition on surrounding buildings” We are not proposing to demolish the existing building unless we proceed with building a new building in its place so we will not be creating a void in the rhythm and continuity of the block. And further our proposal will recreate the historic rhythm that was first built on the site and then removed.

“and the economic value or usefulness of the buildings as it now exists or if altered or modified in comparison with the value or usefulness of any proposed structures designated to replace the present building” The building proposed to take place of the existing building has approximately 25 more additional residential dwelling units with a stabilized value approaching \$6,000,000. The real estate tax gain will be slightly more than \$100,000 annually to the taxing authorities vs taxes that are currently \$22,000 annually.

The cost to renovate the existing building is in excess of \$1,600,000 or \$335 / square foot. The cost to renovate the building vs the market rents achievable in the existing and foreseeable marketplace deem the renovation unfeasible economically. The effects of the pandemic have wide reaching negative effects on retail and retail like establishments which the existing building shape and size will accommodate. There has also been excess retail space with long time vacancy in this neighborhood.

Thank you for considering our request to demolish a building that doesn't represent historical significance and replace with needed housing.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jim LaValle', written in a cursive style.

Jim LaValle

Selby and Dale Development Project

Revised Proposal - August 2020

Proposal to revitalize 156 Dale property, remove 1-story vacant auto repair shop for a better long term outcome, better urban design and new investment into an historically under-utilized and vacant property.

ORIGINAL PROPOSAL

5 stories

Demo bldg

REVISED PROPOSAL
(Zoning Approved)

5 stories

Retain 1-story bldg

~~Salon company to lease~~

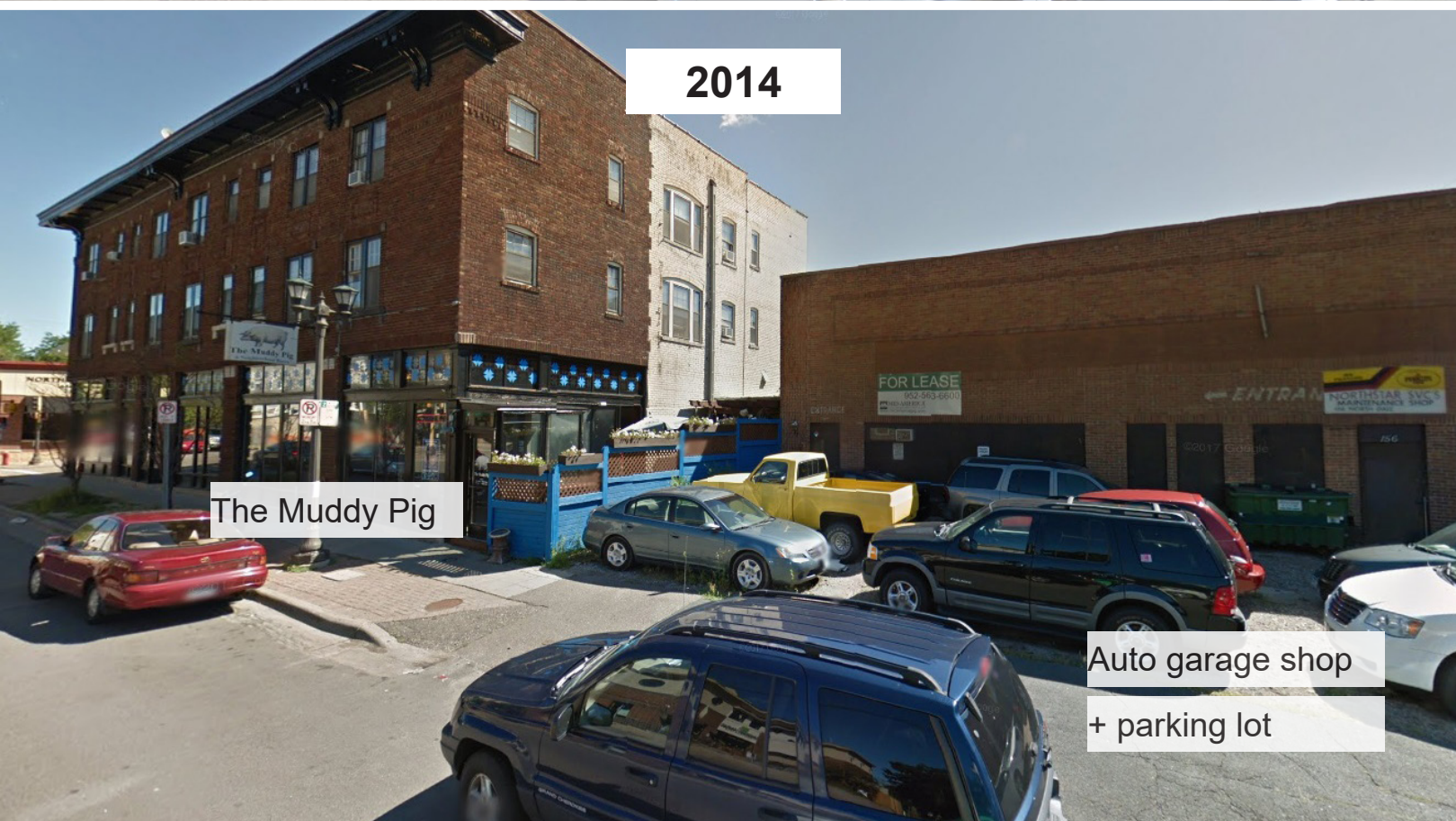
(HPC voted to retain bldg)

#2 REVISED PROPOSAL (CURRENT)

4 Stories (feasible if new construction includes 1-story bldg removed)

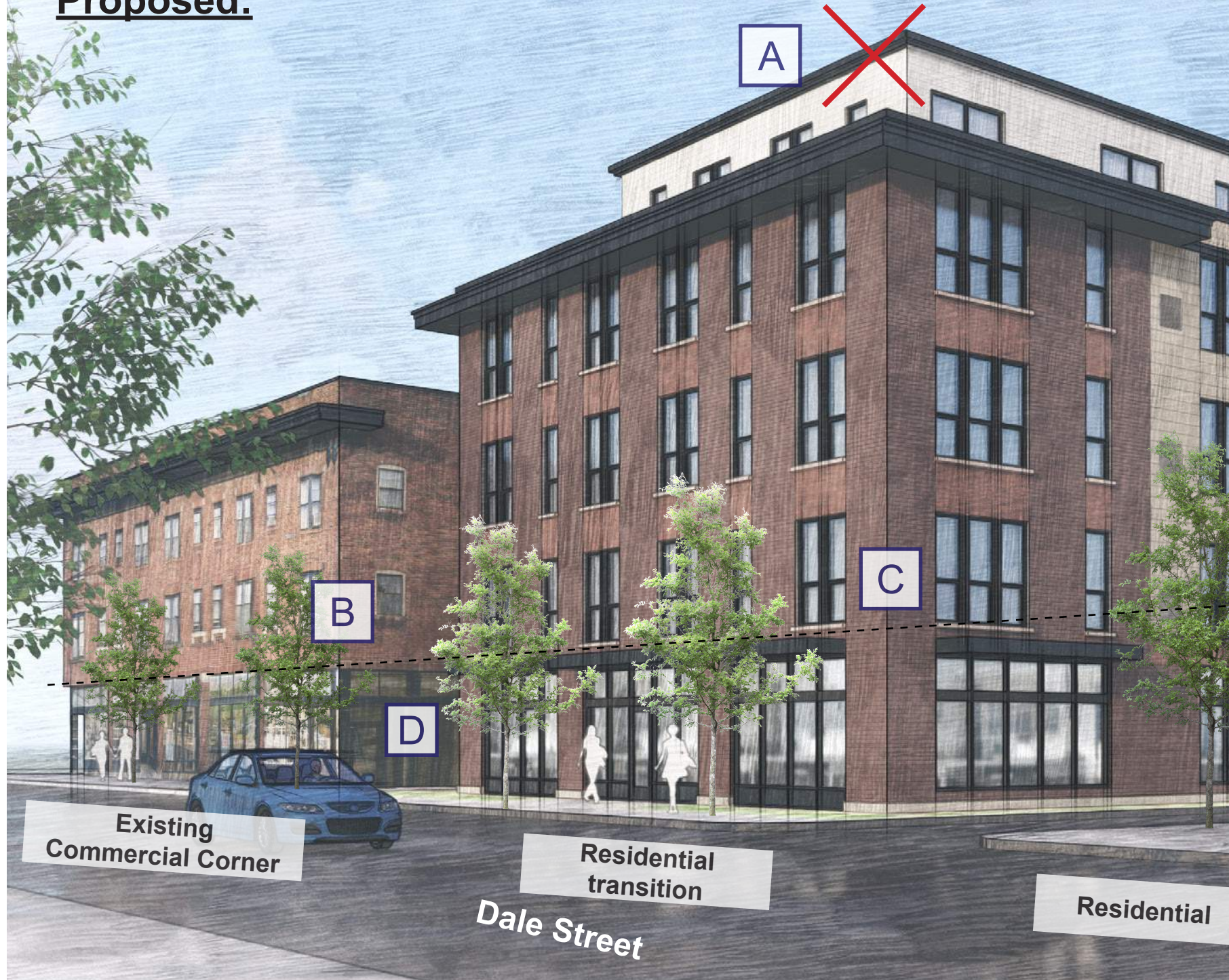
Demo bldg.

Reuse of 1-story bldg is 100% not feasible
-Exorbitant rehab cost
-No buyers or tenants interested in space
-Numerous vacant commercial spaces already exist in neighborhood, including neighbor's vacant space for 2.5 years.



VIEW EAST ALONG ALLEY FROM DALE AVE

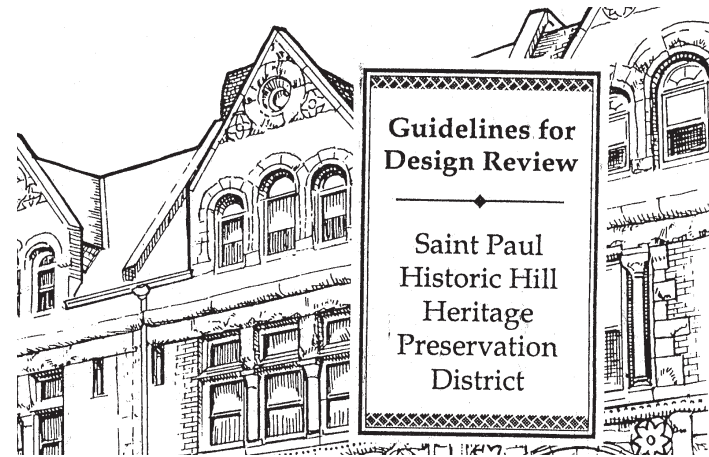
Proposed:



- A** Delete approved 5th floor
- B** Add boulevard trees in right-of-way
- C** Compliment neighboring architecture:
 - brick facade and detailing,
 - mimick storefront design, tall windows
 - new walk-out apartments to transition to residential neighboring properties
- D** Work with neighbor to help bring back restaurant into their vacant Muddy Pig space: enhance space between our buildings with landscaping, lighting, new paving.



- A** Delete approved 5th floor
- B** Add boulevard trees in right-of-way
- C** Compliment neighboring architecture:
 - brick facade and detailing,
 - mimick storefront design
 - 1st floor common spaces: gym, yoga, lounge, club room along streetscape to add to mixed-use flavor



V. Demolition

When reviewing proposals for demolition of structures within the district, the Heritage Preservation Commission refers to Section 73.06 (i)(2) of the Saint Paul Legislative Code which states the following:

In the case of the proposed demolition of a building, prior to approval of said demolition, the commission shall make written findings on the following: the architectural and historical merit of the building, the effect of the demolition on surrounding buildings, the effect of any proposed new construction on the remainder of the building (in case of partial demolition) and on surrounding buildings, and the economic value or usefulness of the building as it now exists or if altered or modified in comparison with the value or usefulness of any proposed structures designated to replace the present building or buildings.

“ECONOMIC VALUE AND USEFULNESS” PER HISTORIC GUIDELINES



DEVELOPMENT COST + CONSTRUCTION ESTIMATE SUMMARY

Project Name:
Address:

Dale-Selby Renovation
156 Dale Street N

Date:	8/12/2020
<i>Bid: General Shell Rehab + tenant fit-out, limited furnishings/FFE</i>	
Existing 1920s Auto Garage Shop, 1+ Story, Flat Roof	
Building Gross Square Footage:	4,600
Gross Wood Square Footage:	
Parking Square Footage (Precast)	

	DESCRIPTION	BID:
00	ACQUISITION + PREDEVELOPMENT	\$ 668,550
	LAND, COMMISSION FEE, TITLE AND CLOSING COSTS	\$ 547,500
	ARCHITECT, ENGINEERING, CONSULTANTS	\$ 74,500
	SAC/WAC, PERMIT AND CITY FEES	\$ 46,550
	GENERAL CONSTRUCTION REHAB	\$ 965,000
01	GC, GENERAL REQUIREMENTS, PERMITS, FEES	\$ 110,000
02-33	CONSTRUCTION	\$ 855,000
	TOTAL COST ESTIMATE:	\$ 1,633,550
	Cost per SF	\$ 355.12

BUT-FOR ANALYSIS:

Notes:

- \$350/SF cost is exorbitant for 4,600 SF of commercial space = not feasible.
- There are no tenants or buyers that exist at this cost no matter the use.
- An abundance of vacant commercial space is available and discounted, including our neighbor's building, properties on Selby and more on Grand Ave.

RETAIN 1 STORY AUTO SHOP

Rehab Cost:	\$1,633,550
Rehab Value:	\$1,265,500
Gain:	(\$368,550)
Property Taxes Approx:	\$30,000

Property Taxes Today: \$22,000
(Vacant building, empty lot)

APARTMENT PROJECT IN LIEU OF AUTO SHOP:

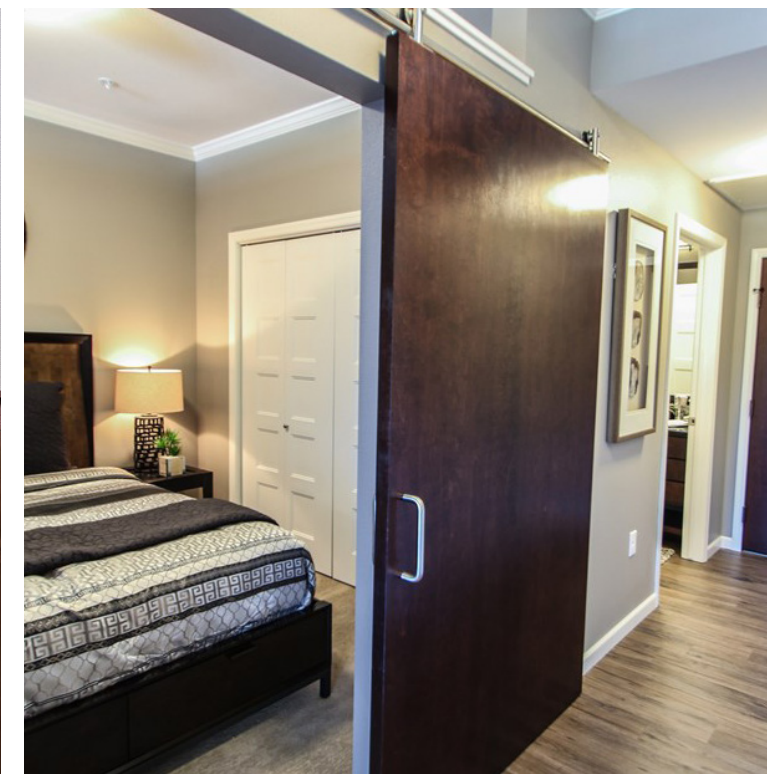
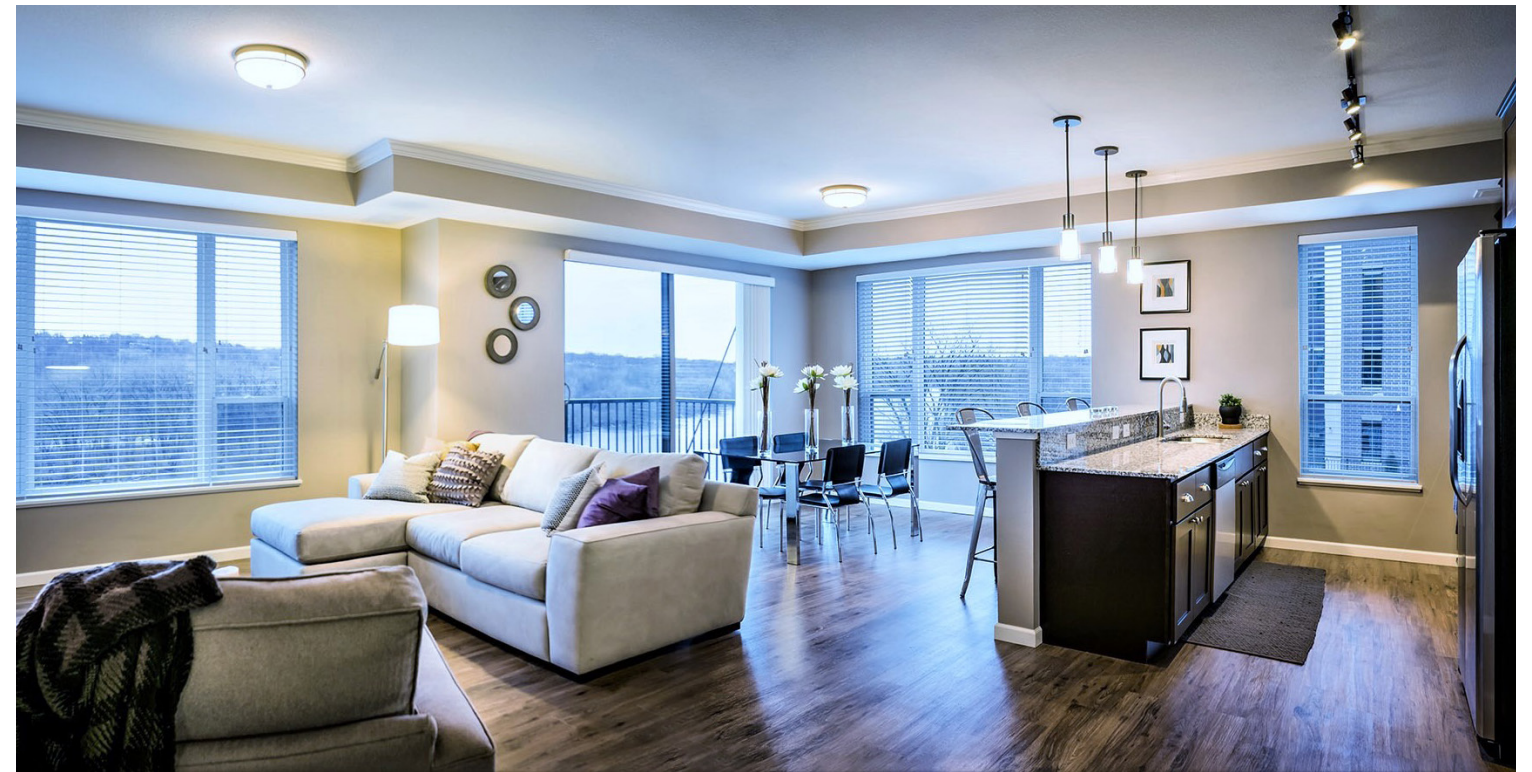
Cost of +24 Apartments:	\$4,920,000
Completed Value:	\$5,880,000
Gain:	\$960,000
Property Taxes Approx:	\$100,800

Property Taxes on Entire Proposed Apartment Bldg \$428,000

OUR COMMON ROOMS
CRAFTSMAN STYLE, ST. PAUL INFLUENCED



OUR APARTMENT INTERIORS



Selby and Dale Development Project
Revised Proposal

For Approval: Auto repair garage removal and revitalizing
156 Dale and Selby property

