

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

REPORT TO THE COMMISSIONERS

DATE: JULY 13, 2022

REGARDING: RESOLUTION APPROVING AND AUTHORIZING A TEMPORARY LICENSE AGREEMENT WITH 11 WELLS SPIRITS COMPANY, LLC FOR AN INITIAL TERM OF SIX MONTHS, TO USE A PORTION OF HRA-OWNED PROPERTY LOCATED AT 694 MINNEHAHA AVENUE E., DISTRICT 4, WARD 7.

Requested Board Action

Authorize a temporary license agreement with 11 Wells Spirits Company, LLC (“11 Wells”) for an initial term of six months to use a small portion of HRA-owned property located at 694 Minnehaha Avenue E (the “Hamm's Site”) for loading, parking, customer seating, and general business operations, and include the option to renew the temporary license agreement at the end of the license agreement term for an additional six-month period.

Background

The Hamm’s Site is a 4.8-acre site recently marketed for redevelopment through a Request for Proposals that closed April 29, 2022.

The HRA received a request from Michael McManus and Robert McManus Sr., owners of 11 Wells, to use a portion of the Hamm's Site located directly southwest of 704 Minnehaha Avenue E. (the “11 Wells Parcel”) as depicted in the attached Map (the “Subject Property”) for loading, parking, customer seating, and general business operations. The Subject Property was not included in the recent Request for Proposals.

When the HRA sold the 11 Wells Parcel in 2014 the Subject Property was needed for emergency vehicle access and turning. In 2019, the HRA completed the construction of a fire lane south of the 11 Wells Parcel, eliminating the need to use the Subject Property for emergency vehicles. The Subject Property was intended to be conveyed to 11 Wells as the 11 Wells Parcel does not include

any parking or loading areas. HRA staff has engaged the Office of Financial Services, Real Estate Division to amend existing fire easements and negotiate terms of a potential property boundary adjustment with 11 Wells, which would be the subject of future HRA Board action.

The proposed license agreement will allow 11 Wells to use the Subject Property in the interim for loading, parking, customer seating, and general business operations for an initial term of six months and an option to renew the agreement for an additional six months. The allowed uses are subject to 11 Wells obtaining any relevant approvals, permits, or licenses. The license agreement is in addition to an existing access easement recorded on this area of HRA-owned property permitting pedestrian and emergency and non-emergency vehicle access to the 11 Wells Parcel. 11 Wells will indemnify the HRA and the City of Saint Paul for liability and will carry insurance for the use of the Subject Property consistent with the terms of the license agreement. 11 Wells will be responsible for maintaining the Subject Property in a safe condition and for removing trash. If the Subject Property is damaged, 11 Wells will be responsible for restoring the Subject Property to its current condition. The license agreement will include a termination clause with a 30-day notice.

HRA Resolution 95-5/3-2 requires that the HRA Board authorize temporary use agreements for HRA-owned property that will have a term in excess of 30 days.

Budget Action

NA

Future Action

Any fire access easement amendment, property line adjustments, and/or property conveyance would be the subject of future HRA Board action.

Financing Structure

NA

PED Credit Committee Review

NA

Compliance

NA

Green/Sustainable Development

NA

Environmental Impact Disclosure

NA

Historic Preservation

NA

Public Purpose/Comprehensive Plan Conformance:

11 Well’s proposal is consistent with goals in the Comprehensive Plan including:

- Policy LU-6. Foster equitable and sustainable economic growth by supporting businesses, real estate and financial models that keep more money locally, such as locally-owned businesses.
- Policy LU-2. Pursue redevelopment of Opportunity Sites.

Recommendation:

Authorize a temporary license agreement with 11 Wells for the Subject Property in the initial term of six months for loading, parking, customer seating, and general business operations and authorize the inclusion of the option to renew the temporary license agreement for an additional six months.

Sponsored by: Commissioner Jane Prince

Staff: Laura Haynssen, 651-266-6597, Laura.Haynssen@ci.stpaul.mn.us

Attachments

- Map
- HRA Resolution 95-5/3-2