

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

REPORT TO THE COMMISSIONERS

DATE: SEPTEMBER 10, 2014

**REGARDING:** Resolution Approving and Authorizing Action Related to the Saint Paul Housing and Redevelopment Authority's (HRA) Disposition Strategy and Work Plan: 1) Conveyance of the Parcel 0 Palace Avenue to City of Saint Paul, West Seventh, District 9, Ward 2; 2) Conveyance of the Parcel 129 Chatsworth Street North to Independent School District No. 625, Summit-University, District 8, Ward 1

## **Requested Board Action**

Approval of continued implementation of activity under the Saint Paul Housing and Redevelopment Authority's (HRA) Disposition Strategy and Work Plan, which was approved by the HRA Board on July 24, 2013 (Resolution 13-1097). The specific actions being requested of the HRA Board are approval of the following:

1. Conveyance of the Parcel 0 Palace Avenue to the City of Saint Paul, West Seventh, District 9, Ward 2
2. Conveyance of the Parcel 129 Chatsworth Street N to Independent School District No. 625, Summit-University, District 8, Ward 1

## **Background**

Planning and Economic Development (PED) staff analyzed all HRA-owned property to make informed recommendations regarding the retention and disposition of properties, and create a disposition strategy and budget to advance redevelopment plans for the sites analyzed. Property that was considered as part of the disposition analysis was predominantly scattered site vacant lots (no more than four contiguous lots) and buildings that are no more than four units. This information was presented to, and the Disposition Strategy and Work Plan (DSWP) was approved by, the HRA Board of Commissioners on July 24, 2013 via Resolution 13-1097.

Progress has been made regarding the implementation of the DSWP under the Inspiring Communities Program, and the actions detailed in this report assist in maintaining this momentum. "Inspiring Communities" is currently used for the marketing campaign for homes both rehabilitated and newly constructed, and consolidates property acquired under the NSP,

ISP, and Community Development Block Grant (CDBG) programs, along with some HRA acquired property, under one strategy.

Previous Board action related to Inspiring Communities includes:

- Approval of the Disposition Strategy, Work Plan, and Budget (13-1097)
- Approval of Program Manuals, and Guidelines for Disposition of Splinter Parcels (13-1592)
- Acceptance of \$840,000 from MHFA and \$200,000 from the Metropolitan Council through the 2013 CHIF RFP (14-295)
- Approval of the Property Valuation Policy, Disposition Policy and Procedure for the Sale of Vacant Lots for Market Value, and application to Minnesota Housing's Community Housing Impact Fund for \$960,000 (14-1331)

The July 24, 2013 Board action established four disposition categories: two that allocated future subsidy and two that were sales strategies. Properties eligible for subsidy were either located in cluster areas (Dayton's Bluff, Railroad Island (Payne-Phalen), Payne-Maryland (Payne-Phalen), Frogtown, and West Seventh) or had obligations for redevelopment (vacant buildings, some tax forfeit properties, some federal properties). The remaining properties were either buildable lots to be sold for market value, or splinter parcels to be sold for a nominal price. The intention of the Work Plan was to allocate properties eligible for subsidy through a competitive RFP process as funding sources became available.

This report is a result of the analysis regarding the HRA owned Splinter Parcels. In some cases, the Splinter Parcels are not appropriate for sale as side yards and are located within parcels owned by public entities. Staff recommends conveyance for these properties, as it will help achieve goals of Resolution 13-1592 by decreasing the inventory of land by the HRA, thus reducing annual holding costs.

Wilder planning district demographic profiles are attached for Districts 8 and 9, where the parcels proposed for conveyance are located (**Attachment D**).

### **0 Palace Avenue**

Staff is seeking approval of the conveyance of 0 Palace Avenue to the City of Saint Paul. 0 Palace Avenue is a small, triangular parcel with an area of 157 square feet, zoned as I-2 / RC-4, and located Northwest of Shepard Road and South of Palace Avenue within the right of way for Shepard Road, as seen in **Attachment B**. After discussion with Saint Paul Public Works staff, it was agreed that the parcel should be conveyed to their department.

### **129 Chatsworth Street N**

Staff is seeking approval of the conveyance of 129 Chatsworth Street N to Independent School District No. 625. The parcel is zoned as RT1 and is located within the parking lot for JJ Hills Montessori School at 998 Selby Avenue, as seen in **Attachment C**, which is owned by the Saint Paul Public School District. The property was acquired in 1970 and for as long as the property has been held, there have been past correspondence acknowledging the necessity of conveying this parcel to the School District. The conveyance of this property will increase available funds through the mitigation of unnecessary holding costs.

### **Budget Action**

No budget action is required for these actions.

### **Future Action**

There is no future action related to the conveyance of these parcels.

### **Financing Structure**

There is no financing structure for the conveyance of these parcels.

### **PED Credit Committee Review**

Credit committee review is not a requirement of these actions.

### **Compliance**

There are no compliance requirements for the conveyance of these parcels.

### **Green/Sustainable Development**

The Sustainable Development Policy does not apply to the requested actions.

### **Environmental Impact Disclosure**

A Tier 1 environmental impact study was conducted for the target area of NSP 1, 2, and 3, which encompasses the area of all Inspiring Communities program activities.

### **Historic Preservation**

A 106 review is conducted at the time of acquisition for all HRA properties.

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

See *Public Purpose Form*, attached as **Attachment E**. **Attachment F** includes a list of comprehensive and neighborhood plan documents that the proposed actions fulfill.

The Disposition Strategy has been presented to the planning councils most affected by the disposition strategy - the District 5 CPED and Railroad Island committees, District 4 Board, and District 7 Board - and received their support.

### **Recommendation:**

The Executive Director recommends approval of this board action.

**Sponsored by:** Commissioner Thune and Commissioner Thao

**Staff:** Jennifer Jordan, 651-266-6598; Ashley Foell, 651-266-6553

### **Attachments:**

- **Attachment A – Resolution**
- **Attachment B – Map 0 Palace Ave**
- **Attachment C – Map of 129 Chatsworth St N**
- **Attachment D – District Council Census Facts**
- **Attachment E – *Public Purpose Form***

