

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

REPORT TO THE COMMISSIONERS

DATE: MARCH 14, 2012

REGARDING: AUTHORIZATION TO ACQUIRE TAX FORFEITED PROPERTIES IN
DAYTON'S BLUFF DISTRICT 4 AND PAYNE-PHALEN DISTRICT 5 UNDER
THE ISP/NSP REBUILDING WORK PLAN 2009-2013

Requested Board Action

The specific actions being request of the HRA Board are as follows:

1. Authorization to acquire the following properties with NSP funds.
 - Parcel 698 E. 4th Street (Fourth Street Preservation Project) Dayton's Bluff District 4
 - Parcels 690 Conway Street and 703 Surrey Avenue (Bates/Conway Redevelopment Area) Dayton's Bluff District 4
 - Parcel 861 Burr Street (Bruce Vento Elementary School Redevelopment Area) Payne-Phalen District 5
 - Parcel 738 Bradley Street (Railroad Island Redevelopment Area) Payne-Phalen District 5

Background

In November, 2011, the Ramsey County Tax Forfeit Department provided PED staff with the annual list of tax forfeited properties that became available as of August, 2011 for acquisition from Ramsey County under Minnesota Statutes 282.01 and 469.201 Subd.10. Several tax forfeited parcels were identified and placed on hold by the City of St. Paul Resolution 12-123 on January 26, 2012. Placing properties on hold provides staff with six months to fully investigate the properties and develop acquisition recommendations. We are able to move forward and request acquisition of the properties anytime during the hold period once Ramsey County has provided us with the acquisition price. The five properties identified for acquisition complement recent HRA activities in the area. Information on these properties and their intended use are described more fully on **Attachment B**; maps showing locations of the separate properties are shown on **Attachment C**.

Budget Action

Five properties (three vacant structures and two vacant lots) have been identified for acquisition using NSP funding. The funding has already been set-aside for these types of activities. The total NSP funding is \$71,000.00 plus some additional closing fees.

Future Action

1. Future consideration of development of the properties.
2. Public hearing for sale of the properties.

Financing Structure

N/A

PED Credit Committee Review

N/A

Compliance

The future development of these properties will have to comply with the following requirements depending on the final reuse:

1. Affirmation Action/Equal Employment Opportunity
2. Vendor Outreach
3. Section 3
4. Limited English Proficiency
5. NSP Affordability Covenants
6. Fair Housing Opportunities

Green/Sustainable Development

The properties that have residential structures to be rehabilitated will comply with the HRA's Sustainability Policy. NSP funds will be used to renovate the two properties with structures, and will need to meet the following NSP requirements.

1. HUD Healthy Home Requirements (no lead paint) house built before 1978
2. State requirement for asbestos removal where applicable.
3. All local and State building codes together with HRA's NSP guiding principles adopted February 24, 2009: "provide healthy, affordable and quality housing, improving the housing stock above minimum standards by addressing lead, mold, radon, energy efficiency and curb appeal elements".
4. Energy STAR Home Performance Program or Energy STAR Qualified New Homes Program (required under NSP)

Environmental Impact Disclosure

For properties being purchased using the NSP program, the Tier 1 environmental review determined that all activities were either exempt or categorically excluded.

Historic Preservation

For each individual property that has a structure and is being purchased with NSP funds the acquisition is subject to a Tier 2 environmental review, which included consultation with the State Historic Preservation Office.

Public Purpose/Comprehensive Plan Conformance

The properties being acquired for housing use support all three strategies of the Housing Chapter of the City's Comprehensive Plan: 1) build on Saint Paul's strengths in the evolving metropolitan housing market; 2) preserve and promote established neighborhoods; and 3) ensure the availability of quality, affordable housing across the City.

The properties are all located in ISP/NSP designated areas and support the goals of the ISP/NSP Program and Plan to strategically channel resources into neighborhoods being challenged by recent economic and social downturns and persistent disinvestment including: 1) creating working partnerships among private developers, CDCs, District Councils and neighborhood

residents; 2) bringing together resources, time, talent and funding in neighborhoods poised to prosper after a prolonged period of disinvestment; 3) reducing the number of vacant houses; 4) rehabilitate or address housing units to strengthen the housing stock; 5) improving stability and quality of life in neighborhoods; and 6) building on strengths in Saint Paul's neighborhoods.

Recommendation:

The Executive Director recommends approval of the attached Resolution approving the acquisition of 5 tax forfeited properties described in **Attachment B**.

Sponsored by: Commissioner Kathy Lantry

Staff: Sheri Pemberton Hoiby, Project Manager 651-6615

Cynthia Carlson Heins, Project Services, 651-266-6608

Attachments

- **Attachment A - Resolution**
- **Attachment B - Background Attachment**
- **Attachment C- Maps**
- **Attachment D - Public Purpose Form**
- **Attachment E- Census Facts**