

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

REPORT TO THE COMMISSIONERS

DATE: May 13, 2015

**REGARDING: RESOLUTION APPROVING AND AUTHORIZING ACTION RELATED TO THE SAINT PAUL HOUSING AND REDEVELOPMENT AUTHORITY'S (HRA) DISPOSITION STRATEGY AND WORK PLAN: 1) SALE AND CONVEYANCE OF PARCEL 924 JESSAMINE AVENUE EAST, PAYNE PHALEN, DISTRICT 5, WARD 6.**

## **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. Sale and Conveyance of the Parcel 924 Jessamine Avenue East, Payne Phalen, District 5, Ward 6.

## **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 as part of the Disposition Strategy and Work Plan (DSWP), which 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)
- Acceptance of \$560,000 from MHFA, and \$160,000 from the Metropolitan Council through the 2014 CHIF RFP (15-212)

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, Frogtown, and West Seventh) or had obligations for redevelopment (vacant buildings, some tax forfeit properties, some federal properties). The remaining properties were either vacant 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.

Staff recommends sale of these vacant lots as it will achieve objectives of the Disposition Policy and Procedure for the Sale of Vacant Lots for Market Value within Resolution 14-1331 (Vacant Lot Sales Policy).

Wilder planning district demographic profiles are attached for District 5, where the parcel proposed for conveyance is located (**Attachment D**).

Staff is seeking approval of the sale and conveyance of 924 Jessamine Avenue East (as seen in **Attachment B**) to Twin Cities Habitat for Humanity, Inc. (TCHFH) for \$10,000. The applicant will construct a 2-story, 1,565 square foot home with 4 bedrooms, 2 baths, and a 2 stall garage. The new house will be part of TCHFH's Affordable Homeownership Program serving individuals between 30 and 60 percent of the Area Median Income. The property is approximately 40 by 122 feet totaling 9,920 square feet, and is zoned RT1. TCHFH has submitted the \$500 good-faith deposit and purchase agreement. The sale of this parcel will reduce holding costs and increase tax base.

### **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 C**. **Attachment E** 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.

**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 certain Parcels of land located in Payne Phalen, District 5 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, May 2, 2015. The Affidavit of Publication of the Notice of Public Hearing will be made a part of these proceedings. The HRA proposes to convey the following property:

In Payne Phalen, District 5:

<u>Property Description</u>	<u>Purchaser</u>	<u>Purchase Price</u>
924 Jessamine Avenue East	Twin Cities Habitat for Humanity, Inc.	\$10,000.00

The above property is being sold by the HRA according to the Disposition Policy and Procedure for the Sale of Vacant Lots for Market Value within Resolution 14-1331.

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

**Recommendation:**

The Executive Director and staff recommend approval of this sale in accordance with the attached resolution.

**Sponsored by:** Commissioner Bostrom

**Staff:** Ashley Foell, 651-266-6553

**Attachments:**

- **Attachment B – Map of 924 Jessamine Avenue East**
- **Attachment C – Public Purpose**
- **Attachment D – District 5 Profile**
- **Attachment E – Comprehensive Plan Applicability**