

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

REPORT TO THE COMMISSIONERS

DATE: APRIL 22, 2020

**REGARDING: RESOLUTION APPROVING AND AUTHORIZING THE SALE AND
CONVEYANCE OF 716 WILSON AVENUE, DISTRICT 4, WARD 7**

Requested Board Action

- Approval of the sale and conveyance of 716 Wilson Avenue owned by the Housing and Redevelopment Authority of the City of Saint Paul (the “HRA”).

Background

The HRA purchased 716 Wilson Avenue in 2007. There was an existing single-family home on the property at the time of purchase. HRA Staff initially explored rehabilitation options for the house, as well as demolition/redevelopment concepts, in conjunction with proposed rehabilitation or demolition/redevelopment of adjacent and nearby properties (216/218 Bates Avenue, 208/210 Bates Avenue). Ultimately, the rehabilitation of the adjacent and nearby properties proceeded on a separate basis, within the parameters of the Inspiring Communities program. In 2014, the house at 716 Wilson Avenue was severely damaged by a fire. This led to demolition of the structure in 2018.

In 2018 and 2019, in cooperation with adjacent and nearby property owners, HRA allowed for, and contributed funding for, the installation of an underground storm water management infrastructure system. This underground drainage system passes through a portion of 716 Wilson Avenue, and by Resolution #18-1230, the HRA Board approved the necessary easements related to the installation of the system.

In 2019, the owners of the adjacent property at 216 Bates Avenue, Cory and Tia Vandenberghe, inquired about HRA’s interest in selling the vacant lot. The Vandenberghes offered to purchase the property for its full market value, as established by the Ramsey County Assessor. The Vandenberghes intend to use the lot as side yard for their newly rehabilitated single-family home

at 216 Bates Avenue. The Vandenberghe's also desire the lot for structural landscaping purposes. Their home is situated very close to the 216 Bates Avenue / 716 Wilson Avenue lot line and there is a significant change in grade at this location. Ownership of 716 Wilson Avenue would provide the Vandenberghe's the ability to install a "step up" retaining wall system, which is a more cost-effective alternative to a single, large, engineered retaining wall.

Among other sources, the HRA used Community Development Block Grant ("CDBG") funds for the acquisition, maintenance, and demolition of 716 Wilson Avenue. The HRA met a CDBG National Objective for the property under "Spot Slum Blight," through demolition of the house. Subsequent sale of a Spot Slum Blight property that does not continue to meet a National Objective requires receipt of the property's current market value. The current Estimated Market Value, established by the Ramsey County Assessor, is \$14,800. The Vandenberghe's offer meets this requirement.

Staff has determined that the sale of 716 Wilson Avenue to the Vandenberghe's, for the price they have offered and for the future uses they have proposed, is of appropriate positive public interest for the following reasons: the sale proceeds can be re-invested in other CDBG-eligible activities; the current condition of the lot, as effected by the location of the storm water system, makes future redevelopment difficult; and, this sale will enhance and stabilize the HRA's recent investment in the rehabilitation of 216 Bates.

In conformance with CDBG regulations, a public comment period was conducted regarding the CDBG change of use, including publication of proper notice of opportunities to comment. In conformance with the HRA's Land Disposition Policy, the general public was notified of the Vandenberghe's proposal through the City's Early Notification System. The minimum required 45 days expired with no other interest emerging.

The newly-installed underground storm water management infrastructure system requires a joint easement and maintenance agreement to establish the easement and set forth the maintenance obligations of the benefiting property owners. Since this agreement has not yet been entered into, staff recommends the HRA make the sale of 716 Wilson Avenue to the Vandenberghe's contingent

on the Vandenberges and the owners of 216/218 Bates Avenue and 208/210 Bates Avenue entering into a joint easement and maintenance agreement to be recorded at the time of closing.

Budget Action

No budget action is required. The sale proceeds will be credited as Program Income to an appropriate CDBG account. Future re-use of the sale proceeds for an eligible CDBG activity will be authorized by future budget action.

Future Action

No future action will be required. If the HRA approves the requested action, staff will proceed with the necessary steps to convey the property.

Financing Structure

Not Applicable.

PED Credit Committee Review

Not Applicable.

Compliance

Not Applicable

Green/Sustainable Development

Not Applicable.

Environmental Impact Disclosure

Appropriate Environmental Reviews were conducted in association with previous CDBG spending for the acquisition, maintenance and demolition of the property.

Historic Preservation

Sale of this vacant lot does not require historic review.

Public Purpose/Comprehensive Plan Conformance

Please see the attached Public Purpose Form. The attached includes a list of Comprehensive and Neighborhood Plan strategies/objectives that the proposed actions fulfill.

Statement of Chair

“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 a certain parcel of land located in the Dayton’s Bluff Planning District 4, by the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota.

Notice of time, method, and purpose of this hearing was published in the Legal Ledger on Thursday, April 9, 2020. The Affidavit of Publication of the Notice of Public Hearing will be made a part of these proceedings.

The Chair of the HRA has determined, due to the emergency declared under Minn. Stat. Chapter 12 by the Governor of Minnesota and the Mayor regarding the COVID-19 health pandemic, that it is not feasible for members of the public to attend the meeting at its regular location due to the health pandemic and emergency. Accordingly, members of the public have been advised via the Public Hearing Notice published on April 9, 2020 that they may monitor this meeting remotely at the website address provided in the Public Hearing Notice and that any public comments and materials submitted by 12:00 pm of the day before this meeting would be provided to the HRA Board for their review.

The HRA proposes to convey the following property in Dayton’s Bluff District 4:

Property Description

716 Wilson Avenue, legally described as: the Northeasterly 70.4 Feet of Lots 5 and 6, Auditor’s Subdivision No. 20, St. Paul, Ramsey County, Minnesota.

Purchaser/Developer

Cory Vandenberghe and Tia Vandenberghe, spouses married to each other.

Purchase Price

\$14,800.00

The above property will be conveyed for the purpose of use as side yard for the adjacent residential property.

Have there been any comments and materials submitted in regard to this sale? If not, the Chair will declare this Public Hearing adjourned.”

Recommendation:

The Executive Director recommends approval of the sale of this property, in accordance with the attached resolution.

Sponsored by: Commissioner Prince

Staff: Joe Musolf (651-266-6594)

Attachments

- **Comprehensive Plan Conformance**
- **Map**
- **District 4 Profile**