

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

REPORT TO THE COMMISSIONERS

DATE: April 22, 2015

REGARDING: APPROVAL OF THE SALE AND CONVEYANCE OF 76 BAKER  
STREET EAST, WEST SIDE, DISTRICT 3, WARD 2.

## Requested Board Action

Approval of the sale and conveyance of 76 Baker Street East (“the Property”) to the West Side Community Organization (“WSCO”), authorization to waive the Property Valuation Policy, and authorization to waive the Disposition Policy and Procedure for Sale of Vacant Lots for Market Value.

## Background

WSCO, representing a coalition of West Side organizations, proposes to purchase the Property for \$8,000. The coalition of organizations proposes to use the Property as a community garden and an agricultural and environmental learning space. The coalition of organizations is WSCO, Humboldt High School, Open World Learning School, Youth Farm, and Neighborhood Development Alliance.

The Property is located at the southeast corner of the Livingston Avenue and Baker Street intersection. The Property is approximately 150 feet wide by 150 feet deep, approximately 22,500 square feet. The HRA acquired the Property in June 2010, and subsequently demolished a house on the Property in August 2012. HRA paid \$66,000 to acquire the Property and \$15,275 to demolish the house. In addition to these costs, HRA has incurred some expenses associated with the acquisition transaction and holding expenses.

In September 2014, HRA staff discussed an intent to split the Property into three redevelopable 50 feet wide by 150 feet deep, 7,500 square foot lots and offer them for sale via the Disposition Policy and Procedure for Sale of Vacant Lots for Market Value. At that time, WSCO and their coalition of community partners requested that HRA withhold 76 Baker Street East from any

disposition action while the organizations put together a detailed proposal to purchase and program the Property.

### **Proposed HRA Action**

The proposed HRA action is to authorize sale of the Property to WSCO for \$8,000. In order for this to occur, the proposed action will waive the Property Valuation Policy and the Disposition Policy and Procedure for Sale of Vacant Lots for Market Value (“the Policies”).

On August 13, 2014, by Resolution 14-1331, the HRA Board approved the Property Valuation Policy. This Policy was approved in order to establish a clear and equitable process for the valuation of vacant lots. Via the procedure outlined in the Property Valuation Policy, the value of the Property would be established as \$47,025. The HRA Board must waive the Property Valuation Policy in order to sell the Property for \$8,000.

Also on August 13, 2014, by Resolution 14-1331, the HRA Board approved the Disposition Policy and Procedure for Sale of Vacant Lots for Market Value (“VLS Policy”). The purpose of the VLS Policy is to ensure lots are marketed and proposals are evaluated through a clear and equitable process. The HRA Board must waive the VLS Policy in order to sell the Property to WSCO without seeking competing proposals.

The proposed action also directs staff to institute a Deed Restriction (or similar mechanism) in order to assure that WSCO and their coalition partners operate the Property as a community garden and agricultural and environmental learning space. If at some time in the future the coalition no longer desires to use the Property for these purposes, HRA will have an opportunity to re-acquire the Property from WSCO.

### **Budget Action**

No budget action is required. Proceeds from the sale will be deposited into the Invest Saint Paul fund, which was the source used for acquisition and demolition of the Property.

**Future Action**

No future HRA Board action will be required. Once the HRA takes action approving the sale of the property, staff will proceed to convey the property.

**Financing Structure**

Not Applicable.

**PED Credit Committee Review**

Not Applicable.

**Compliance**

There are no compliance requirements for the conveyance of this Property.

**Green/Sustainable Development**

Not Applicable.

**Environmental Impact Disclosure**

The Tier 1 environmental review determined that the acquisition, demolition and conveyance activities of the Property were either exempt or categorically excluded.

**Historic Preservation**

The State Historic Preservation Office was consulted at the time of acquisition and demolition.

**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 a certain Parcel of land located in West Side, District 3, 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, April 11, 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 West Side, District 3:

<b><u>Property Description</u></b>	<b><u>Purchaser</u></b>	<b><u>Purchase Price</u></b>
76 Baker Street East	West Side Community Organization	\$8,000

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

**Recommendation:**

The Housing Director has no recommendation on this proposed sale.

**Sponsored by:**

Commissioner Dave Thune

**Staff:**

Joe Musolf 266-6594

**Attachments**

- **Attachment A – Resolution**
- **Attachment B – Map of 76 Baker Street East**