

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

REPORT TO THE COMMISSIONERS

DATE: August 26, 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 953 WILSON AVENUE, DAYTON'S BLUFF, DISTRICT 4, WARD 7; AND 2) SALE AND CONVEYANCE OF PARCEL 950 JESSAMINE AVENUE EAST, PAYNE PHALEN, DISTRICT 5, WARD 6; AND 3) SALE AND CONVEYANCE OF PARCEL 690 JENKS AVENUE, 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 953 Wilson Avenue, Dayton's Bluff, District 4, Ward 7; and
2. Sale and Conveyance of the Parcel 950 Jessamine Avenue East, Payne Phalen, District 5, Ward 6; and
3. Sale and Conveyance of the Parcel 690 Jenks Avenue, 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 created a disposition strategy and budget to advance redevelopment plans for the sites analyzed. Property considered as part of the disposition analysis was predominantly scattered site vacant lots (no more than four contiguous lots) and buildings 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 is to allocate properties eligible for subsidy through a competitive RFP process as funding sources became available.

The properties listed within this report met the requirements to be sold at market rate without subsidy. Therefore, 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 Districts 4 and 5 where the parcels proposed for conveyance are located (**Attachment E**).

953 Wilson Avenue and 950 Jessamine Avenue East

Staff is seeking approval of the sale and conveyance of 953 Wilson Avenue (\$10,000) and 950 Jessamine Avenue East (\$10,000) to A Ly Bliatia for \$20,000, collectively (**Attachments B and C**). On each lot, the Applicant will construct a single family home. This proposal aligns with the priorities of the Vacant Lot Sales Policy. 953 Wilson Avenue is approximately 40 by 124 feet totaling 4,960 square feet, and is zoned RT1. The property was donated to the HRA in 2009, and the preexisting blighted structure was demolished in the same year. 950 Jessamine Avenue East is approximately 40 by 122 feet totaling 4,880 square feet, and is zoned RT1. The HRA acquired the property as a part of a pool sale agreement for \$20,000 in 2010, and demolished the preexisting blighted structure in 2014. A Ly Bliatia submitted the \$500 good-faith deposits and purchase agreements for each property. The sale of these parcels will reduce holding costs and increase the tax base.

690 Jenks Avenue

Staff is seeking approval of the sale and conveyance of 690 Jenks Avenue to Jenks Properties, LLC for \$5,000 (**Attachment D**). The Applicant owns the adjacent commercial property at 668 Jenks Avenue. Acquiring 690 Jenks Avenue would allow the Applicant to secure the vacant lot and rehabilitate the retaining wall in order to correct a long standing erosion problem. This proposal aligns with the priorities of the Vacant Lot Sales Policy. The property was donated to the HRA in 2009, and the preexisting blighted structure was demolished in the same year. The property is approximately 40 by 125 feet totaling 5,000 square feet, and is zoned RT1. Jenks Properties, LLC submitted the \$500 good-faith deposit and purchase agreement. The sale of this parcel will reduce holding costs and increase the 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 F**. **Attachment G** 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 Dayton's Bluff, District 4 and 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, August 15, 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 Dayton's Bluff, District 4:

<u>Property Description</u>	<u>Purchaser</u>	<u>Purchase Price</u>
953 Wilson Avenue	A Ly Bliatia	\$10,000.00

In Payne Phalen, District 5:

<u>Property Description</u>	<u>Purchaser</u>	<u>Purchase Price</u>
950 Jessamine Avenue East	A Ly Bliatia	\$10,000.00
690 Jenks Avenue	Jenks Properties, LLC	\$5,000.00

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 approved by 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 these sales in accordance with the attached resolution.

Sponsored by: Commissioner Bostrom

Staff: Ashley Foell, 651-266-6553

Attachments:

- **Attachment B – Map of 953 Wilson Avenue**
- **Attachment C – Map of 950 Jessamine Avenue East**
- **Attachment D – Map of 690 Jenks Avenue**
- **Attachment E – District Profiles**
- **Attachment F – Public Purpose**
- **Attachment G – Comprehensive Plan Applicability**