

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

REPORT TO THE COMMISSIONERS

DATE: FEBRUARY 14, 2018

REGARDING: RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH THE OLD SWEDISH BANK BUILDING, LLC FOR SALE OF .23 ACRES OF LAND LOCATED AT 0 CASE AVENUE (FORMERLY DESCRIBED AS 615 AND 621 CASE AVENUE), SAINT PAUL, MN, DISTRICT 5, WARD 6

Requested Board Action

Public Hearing and authorization for the sale of property located at 0 Case Avenue, formerly described as 615 and 621 Case Avenue (“Property”) to The Old Swedish Bank Building, LLC (“Purchaser”) for \$62,000.00, and execution of a purchase and sale agreement.

Background

On October 26, 2005 by Resolution 05-10/26 the HRA acquired 615 Case Avenue, and on December 14, 2005 by Resolution 05-12/14 the HRA acquired 621 Case Avenue. The purpose of acquiring these properties was to redevelop them into a surface parking lot to serve the commercial tenants and customers of the Old Swedish Bank building (965 Payne Avenue) immediately east of the parking lot. The parking lot (current address 0 Case Avenue) was to be used by the Old Swedish Bank building tenants and customers, and leased and maintained by the East Side Neighborhood Development Company for a five-year term. The lot has been used for this purpose since redevelopment.

The Purchaser intended to acquire the Property previously, following the five-year lease and maintenance agreement; however, the sale was not ultimately pursued. The Purchaser, as owner of the Old Swedish Bank Building, has been marketing the property for sale. The Purchaser wants to ensure the use of the Property for tenants and customers of the Old Swedish Bank building, and intends to package the Old Swedish Bank building and parking lot for sale to the interested party. An Early Notification System (ENS) Notice was sent out January 29, 2018 regarding the proposed sale.

The Property is approximately .23 acres in size, zoned B2, and is currently used as a surface parking lot. See the **District Profiles** attachment for a demographic profile of District 5, the Saint Paul planning district in which the Property is located. No existing businesses will be displaced or relocated as a result of this project.

Budget Action

Not Applicable.

Future Action

None. Closing on the sale of the Property is expected to occur February 16, 2018.

PED Credit Committee Review

Not Applicable.

Compliance

This is a market-rate land sale based on a February 2017 appraisal and no compliance requirements apply. This property has met the National Objective for low-income service area.

Green/Sustainable Development

This is a market-rate land sale and the Saint Paul/HRA Sustainability Initiative does not apply.

Environmental Impact Disclosure

Not Applicable.

Historic Preservation

Not Applicable.

Public Purpose

The following public purposes will be met:

1. Improve off-street parking lots to assist businesses on Payne Avenue by maintaining existing supply and enhancing public realm.

2. Generate private investment and support commercial activities.

This project is consistent with the Comprehensive Plan and other plans:

- Comprehensive Plan (2010): Land Use Chapter policies LU 1.46 encourages the expansion of compact commercial areas of a variety of retail establishments in proximity to each other. LU 1.50 encourages the City's effort to assist redevelopment of existing buildings that are no longer considered functional, to accommodate viable retail and businesses.
- Near East Side Improvement Strategy (1989) Goal 1, Recommendation 1: Utilize present parking space to their fullest capacity by adding or improving signs, lot surfaces, striping and lighting; and Recommendation 7: Parking lots should be sensitive to adjacent land uses.

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 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 February 3, 2018. 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 the Payne-Phalen District 5 area:

Property Description	Purchaser	Purchase Price
0 Case Avenue	The Old Swedish Bank Building, LLC	\$62,000.00

The property will be conveyed for the purpose of remaining a surface parking lot on the Property for continued use by the Old Swedish Bank building.

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

Recommendation:

The HRA Executive Director recommends approval of the attached resolution which approves the following actions:

1. Authorizing the sale of an HRA parcel at 0 Case Avenue to The Old Swedish Bank Building, LLC for the purchase price of \$62,000, to be due upon sale of the Old Swedish Bank building at 965 Payne Avenue.
2. Authorizing waiver of the full 45 day ENS notice period, as the Property was redeveloped for the purpose of selling to the owner of the Old Swedish Bank Building.
3. Authorizing the Executive Director to finalize the land sale documents for execution by the appropriate HRA officers.

Sponsored by: Commissioner Bostrom

Staff: Hilary Holmes 651-266-6612

Attachments

- **Map**
- **District 5 Profile**