

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

REPORT TO THE COMMISSIONERS

DATE: JUNE 27, 2018

REGARDING:

AUTHORIZATION TO ACQUIRE TAX FORFEITED PARCELS 53 GERANIUM AVENUE W. AND CONVEY TO GREATER FROGTOWN COMMUNITY DEVELOPMENT CORPORATION; TO ACQUIRE 722 LAFOND AVENUE, 762 THOMAS AVENUE, 1025 SEMINARY AVENUE W. AND 466 IGLEHART AVENUE AND CONVEY TO TWIN CITIES HABITAT FOR HUMANITY, INC.; AND TO ACQUIRE 995 ROSE AVENUE E., 615 MARYLAND AVENUE E. AND 486 VICTORIA STREET S. AND CONVEY TO SINGULAR DEVELOPMENT RESOURCES INC. IN DISTRICTS 5, 6, 7, 8 AND 9 WARDS 1, 2, 5 AND 6.

Requested Board Action

Authorization for HRA to acquire the following tax forfeited parcels and Authorization to convey as follows:

- **53 Geranium Avenue W** in Ward 5, North End District 6 to Greater Frogtown Community Development Corporation for rehab of an existing structure.
- **722 Lafond Avenue** in Ward 1, Thomas Dale District 7 to Twin Cities Habitat for Humanity for new construction.
- **762 Thomas Avenue** in Ward 1, Thomas Dale District 7 to Twin Cities Habitat for Humanity, Inc. for new construction.
- **1025 Seminary Avenue W.** in Ward 1, Thomas Dale District 7 to Twin Cities Habitat for Humanity, Inc. for new construction.
- **466 Iglehart Avenue** in Ward 1, Summit University District 8 to Twin Cities Habitat for Humanity, Inc. for new construction.
- **995 Rose Avenue E.** in Ward 6, Payne-Phalen District 5 to Singular Development Resources Inc. for rehab of an existing structure in partnership with the East Side Neighborhood Development Company (ESNDC).
- **615 Maryland Avenue E.** in Ward 6, Payne-Phalen District 5 to Singular Development Resources Inc. for rehab of an existing structure in partnership with ESNDC.
- **486 Victoria Street S.** in Ward 2, West Seventh District 9 to Singular Development Resources Inc. for rehab of an existing structure in partnership with ESNDC.

Background

In November of 2017, the Ramsey County Tax Forfeit Department provided PED staff with the annual list of current tax forfeited properties available for acquisition through Ramsey County under Minnesota Statutes 282.01 and 469.201 Subd.10. From that list, 23 tax forfeited parcels for housing development consideration were identified by developer/partners and PED staff and were placed on a six month hold for further investigation, consistent with City and County policies for tax forfeit land. The eight housing properties included in this request for acquisition and sale were selected as a result of due diligence investigation during the hold period. The final developer applications received for the properties to be approved for sale all indicate redevelopment for affordable housing, which can be acquired at a discount per County policy. One of the tax forfeit properties originally listed in the public hearing notice for acquisition and sale at 1545 Etna Street to Singular Development Resources Inc. has been removed from consideration at the developer's request.

The HRA board approval for acquisition of the properties is contingent upon simultaneous approval for sale to these developers and upon these developers submitting the funds for payment of the purchase price and fees along with the signed agreements to develop the sites as required in the Ramsey County Policy and the City's adopted Tax Forfeit Property Hold Policy and Sales Procedure (TFHSP). Ramsey County staff has reviewed the applications, and the discounted prices are based on this review. If the HRA Board approves the resolution and all other contingencies are met, conveyance will also be contingent on Ramsey County Board approval. If either Board does not approve any or all of the properties, the funds held for that property or properties are returned to the developer/partner.

Budget Action

With regard to acquisition for housing development, staff has received applications, contracts and deposits for the eight properties identified for affordable housing development under the HRA's TFHSP by non-profit partners and all for Ramsey County's discount. If final approval by the Ramsey County Board is granted, eight discounted properties will be sold to the HRA, each

for 25% of its market value (plus maintenance costs and recording fees). The deposits collected from the developers are held in the HRA General Fund for Developer Deposits from which payment to Ramsey County will be made. The prices established by Ramsey County including Ramsey County's fees are as follows:

- 53 Geranium Avenue W. discounted purchase price is \$23,246.59.
- 722 Lafond Avenue discounted purchase price is \$2,565.80.
- 762 Thomas Avenue discounted purchase price is \$2,625.02.
- 1025 Seminary Avenue W. discounted purchase price is \$5,233.90.
- 466 Iglehart discounted purchase price is \$17,350.97.
- 995 Rose Avenue E. discounted purchase price is \$21,338.53
- 615 Maryland Avenue E. discounted purchase price is \$11,376.54
- 486 Victoria Street S. discounted purchase price is \$31,031.93

Financing Structure

N/A

Compliance

As discounted properties acquired under Ramsey County policy, the HRA will pass through to developer/partner the compliance requirements.

Green/Sustainable Development

N/A

Environmental Impact Disclosure

N/A

Public Purpose/Comprehensive Plan Conformance

The properties being acquired for housing use support all three strategies of the Housing Chapter of the City's Comprehensive Plan: 1) Build on Saint Paul's strengths in the evolving metropolitan housing market; 2) Preserve and promote established neighborhoods; and 3) Ensure the available of quality and affordable housing across the City.

Statement of Chairman (for Public Hearing)

“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 the Ward and Districts listed below 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, June 16, 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 properties described below:

Properties for Conveyance

- **53 Geranium Avenue W.** in District 6, Ward 5, (Stinson’s Rice Street Addition to the City of St. Paul, Minn., Lots 22 & 23, Block 4) Purchaser: Greater Frogtown Community Development Corporation.
- **722 Lafond Avenue** in District 7, Ward 1, (Chute Brothers Division No. 5 Addition to the City of St. Paul, Minn., Lot 11, Block 5) Purchaser: Twin Cities Habitat for Humanity, Inc.
- **762 Thomas Avenue** in District 7, Ward 1, (Chute Brothers Division No. 11 Addition to the City of St. Paul, Minn., Lot 6) Purchaser: Twin Cities Habitat for Humanity, Inc.
- **1025 Seminary Avenue W.** in District 7, Ward 1, (Winters Addition to St. Paul, except the alley, the West ½ of Lot 11 and all of Lot 12, Block 17) Purchaser: Twin Cities Habitat for Humanity, Inc.
- **466 Iglehart Avenue** in District 8, Ward 1, (Mackubin and Marshall’s Addition to St. Paul, Lot 7 and the East 19.34 feet of Lot 8, Block 21) Purchaser: Twin Cities Habitat for Humanity, Inc.
- **995 Rose Avenue E.** in District 5, Ward 6, (Eastville Heights, Lot 30, Block 3) Purchaser: Singular Development Resources Inc.
- **615 Maryland Avenue E.** in District 5, Ward 6 (Joseph R. Weide’s 2nd Addition to the City of St. Paul, Lot 21, Block 1) Purchaser: Singular Development Resources Inc.

- **486 Victoria Street S.** in District 9, Ward 2 (Lakeview Addition No. 1, except the South 15 feet; Lot 42 & all of Lot 43 & the South 20 feet of Lot 44, Block 3)

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

Recommendation:

Staff recommends approval to convey 53 Geranium Avenue W. to Greater Frogtown Community Development Corporation; 722 Lafond Avenue, 762 Thomas Avenue, 1025 Seminary Avenue W. and 466 Iglehart Avenue to Twin Cities Habitat for Humanity, Inc. and 995 Rose Avenue E., 615 Maryland Avenue E., and 486 Victoria Street S. to Singular Development Resources Inc.

Sponsored by: Commissioner Bostrom

Staff: Cynthia Carlson Heins, Project Services, 266-6608

Attachments

- **Attachment – Ramsey County Policy**
- **Attachment – HRA Tax Forfeit Policy**
- **Attachment - Maps**
- **Attachment - Ramsey County Costs**
- **Attachment – District Profiles**