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

REPORT TO THE COMMISSIONERS

**DATE: DECEMBER 11, 2019** 

**REGARDING:** 

RESOLUTION AUTHORIZING A TEMPORARY LICENSE AGREEMENT

FOR HRA-OWNED PROPERTY LOCATED AT 845-851 PAYNE

**AVENUE, DISTRICT 5, WARD 6** 

**Requested Board Action** 

Staff is requesting the Housing and Redevelopment Authority of the City of Saint Paul ("HRA") Board of Commissioners authorize HRA staff to enter into a temporary license agreement with Flannery Construction for HRA-owned property located at 845-851 Payne Avenue. The

temporary license agreement will be for temporary use of the parcels for construction equipment

staging, storage, and construction worker overflow parking.

**Background** 

Flannery Construction has requested a temporary license agreement from the HRA for the use of an HRA-owned redevelopment property at 845-851 Payne Avenue for temporary use as a construction staging site from February 1, 2020 through August 3, 2021. Flannery Construction is building a multi-unit housing development across the street at 848 Payne Avenue over this period and needs a secure area for construction equipment staging, storage, and construction

worker overflow parking.

HRA Resolution 95-5/3-2 (attached) establishes guidelines for temporary use of HRA parcels and specifies that any term of use exceeding a period of thirty (30) calendar days requires

approval of the HRA Board of Commissioners.

845-851 Payne Avenue is a .23-acre redevelopment site available for sale subject to the HRA

disposition policy. The property is the former site of a repair garage and supply shop. The HRA

acquired the property in 2014, demolished the building on site and completed environmental

remediation for larger future development with adjacent HRA owned parcels.

Page 1 of 3

The property has been vacant and available for redevelopment since that time. Redevelopment is

the primary objective for the parcels, and an RFP is planned for release in late 2020 once the

development at 848 Payne is well under way and leasing begun, demonstrating the market for this

site. Any future development would most likely occur after August 2021, at the earliest. However,

should there be a desire to pursue redevelopment of this site earlier, the temporary license

agreement will include a 30 day notice termination clause.

Flannery Construction will indemnify the HRA from any liability and will carry liability insurance

for the use of the site. Flannery Construction will be responsible for maintaining the site. If there

is any damage to the site, Flannery Construction will be responsible for restoring the site to its

current condition.

**Budget Action** 

Staff recommends an annual parcel use fee over the eighteen (18) month use period of \$500.00 per

month payable as a lump sum payment of \$9,000.00 due within fifteen (15) days of the

commencement of the license. This rate was determined by an appraiser. A one-time \$4,000.00

damage deposit will also be collected within fifteen (15) days of license commencement. The

deposit is fully refundable. If construction ends prior to the eighteen (18) month time temporary

use period Flannery Construction can be refunded for additional months paid.

**Future Action** 

NA

**Financing Structure** 

NA

**PED Credit Committee Review** 

NA

Compliance

NA

Page 2 of 3

**Green/Sustainable Development** 

NA

**Environmental Impact Disclosure** 

NA

**Historic Preservation** 

NA

**Public Purpose/Comprehensive Plan Conformance** 

Allowing staging use on this site creates a secure central location for daily construction work,

minimizing crew impact on the surrounding neighborhood and maximizing safe passage of

materials and personnel between the development site and the staging area.

The proposed temporary staging use supporting an affordable housing development is consistent

with the 2030 Comprehensive Plan Strategy H 1.1 which calls for an increase in housing choices

across the city to support economically diverse neighborhoods.

**Recommendation:** 

Authorize a temporary license agreement with Flannery Construction for temporary construction

staging use of 845-851 Payne Avenue located in District 5, Ward 6.

Sponsored by: Councilmember Busuri

**Staff:** Claire Pettry 651-266-6608

**Attachments** 

• Map

• District 5 Profile

• HRA Resolution 95-5/3-2

Page 3 of 3