

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

REPORT TO THE COMMISSIONERS

DATE: APRIL 12, 2023

**REGARDING: AUTHORIZATION TO ACCEPT CONVEYANCE FROM THE CITY OF SAINT PAUL OF THE ALLEY SOUTH OF 519 PAYNE AVENUE, AND SUBSEQUENTLY CONVEY THE SAME TO ADJACENT PROPERTY OWNER, DNZ LLC, ST. PAUL, AT 519 PAYNE AVENUE TO IMPROVE PARKING, DRAINAGE ISSUES AND ENCLOSED TRASH FACILITIES.**

## **Requested Board Action**

The specific actions being requested of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (“HRA”) Board are as follows:

- Authorize acceptance of conveyance from the City of Saint Paul (“City) of half of the alley located south of 519 Payne Avenue located between 505 Payne Avenue and 519 Payne Avenue (Vacated Property”) as shown on MAP of Vacated Property.
- Authorize execution of the Real Property Acquisition Agreement in a form and content substantially as set forth in the attached **Revised Acquisition Agreement**.
- Authorize conveyance of the Vacated Property to the owners of 519 Payne Avenue, DNZ LLC, (collectively, “Buyer”), to improve parking, drainage issues and enclosed trash facilities.
- Authorize the proper HRA staff to prepare and execute all necessary documents and instruments approved by the City Attorney’s Office that are necessary to facilitate the transaction from City to HRA and from HRA to Buyer, except that the HRA Chair shall execute the deed of conveyance of the Vacated Property to Buyer.

## **Background**

The alley between the property at 505 Payne Avenue and 519 Payne Avenue was vacated in 2022 with the northern half of the alley automatically accruing to the property owner of 519 Payne Avenue and the southern half accruing to the City as owner of 505 Payne Avenue. The adjacent business owner of 519 Payne Avenue, DNZ LLC, has requested transfer of the southerly portion

of the alley. The Vacated Property will be used for improved parking, drainage issues and enclosed trash facilities.

**Budget Action**

No Budget Action is being requested. The HRA is being used as a pass-through for City land in accordance with Saint Paul Administrative Code Sec. 51.01.(11). The Vacated Property will be acquired from the City and subsequently conveyed to the Buyer. It is proposed that all City and HRA fees and costs for the two transactions are to be paid by the Buyer at closing.

**Future Action**

No future action is needed.

**Financing Structure**

N/A

**PED Credit Committee Review**

N/A

**Compliance**

No compliance requirements apply.

**Green/Sustainable Development**

No green elements apply.

**Environmental Impact Disclosure**

N/A

**Historic Preservation**

N/A

**Public Purpose/Comprehensive Plan Conformance:**

The HRA is being used as a pass-through for disposition of City property in accordance with Saint Paul Administrative Code Sec. 51.01.(11). The Saint Paul City Council has approved this transaction pursuant to RES PH 22-320.

**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 relating to the proposed conveyance of certain real property in the Payne-Phalen, District 5 area.

Notice of time, place and purpose of this hearing was published in the Pioneer on April 3, 2023. The Affidavit of Publication of the Notice Hearing is hereby made a part of these proceedings.

The HRA proposes to acquire from the City and convey to the Buyer the following property in the Payne-Phalen District, District 5 area:

ADDRESS: the alley south of 519 Payne Avenue

**LEGAL DESCRIPTION:**

The southerly half of the alley in Block 8, Brunson’s Addition to St. Paul, in Ramsey County, MN.; Subject to an easement for right of way purposes over and across the East 20 feet thereof.

**Recommendation:**

Staff recommends approval of acquisition of the Vacated Property from the City and subsequent conveyance of the Disposal Property to DNZ LLC.

**Sponsored by:** Commissioner Rebecca Noecker

**Staff:** See J Yang

**Attachments**

- **City Council Resolution RES PH 22-320**
- **City Council Approved Acquisition Agreement**
- **Revised Acquisition Agreement**
- **Map of Vacated Property**
- **D5 Payne Phalen Neighborhood Profile**