

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

REPORT TO THE COMMISSIONERS

DATE: DECEMBER 10, 2025

**REGARDING: RESOLUTION APPROVING AND AUTHORIZING THE SALE AND
CONVEYANCE OF A VACANT LOT AT 77 CONGRESS STREET EAST
TO IGLESIA NI CHRISTO CHURCH, IN WEST SIDE, DISTRICT 3, WARD
2.**

Requested Board Action

Approval to sell and convey the HRA-owned vacant lot at 77 Congress Street E to Iglesia Ni Christo church, who owns the adjacent property at 59 Congress Street E, for the purpose of combining 77 Congress Street E with its property, all pursuant to the Disposition Policy and Procedure for the Sale of Vacant Lots for Market Value by the Saint Paul Housing and Redevelopment Authority (the “Vacant Lot Sale Policy”) adopted by the HRA Board of Commissioners under RES 14-1331.

Background

In 2015, the HRA acquired the vacant lot at 77 Congress Street E (“HRA Property”) through tax forfeiture at a cost of \$18,000 plus fees, intending to transfer it to the developer for amenities supporting the project at 72 Congress Street (now 88 Cesar Chavez Street). The lot was used for construction staging in 2016, but after the project was completed, the developer no longer needed the HRA Property. Because the HRA Property was not a direct housing site, it did not qualify for an acquisition cost discount and carries no requirements for a specific development outcome.

The HRA Property is a 0.07 acre (3,049.2 sq. ft.) lot zoned T2. While T2 is a flexible zoning district, the location and size of the HRA Property has some difficulty. It has right of way/corner park to the east, street frontage to the south, church property to the west and north. The HRA Property has remained vacant and in the property portfolio since its acquisition and continues to incur maintenance and holding costs.

In early September 2023, Iglesia Ni Cristo church (“the Buyer” or “the Church”) contacted staff inquiring about acquisition of the HRA Property to combine with its adjacent property at 59 Congress Street (the “Adjacent Property”). The Church is a nonprofit corporation that has owned the Adjacent Property and operated as the Church since 1984. The Church intends to use the HRA Property as yard space for church activities. Staff analysis indicates that the Buyer is in good standing as a business registered with the Minnesota Secretary of State’s Office and has no outstanding or delinquent taxes, assessments, or code violation.

Sale of the HRA Property may be made by either the HRA Vacant Land Sale Policy or the HRA Disposition Policy. The Vacant Land Sale Policy allows the HRA to sell lots for their market value as long as the parcel is smaller than 20,000 square feet, vacant, and eligible for sale without restrictions or encumbrances by funding programs used to acquire or hold the site. The HRA Property meets these requirements. The proposed use of the site is also evaluated based upon the priorities delineated within the policy. As the Church intends to use the HRA Property for additional yard space, it meets the third priority of “sale as a vacant lot to adjacent property owners”. The Disposition Policy also allows for proposals from entities as an alternative to the RFP process. Staff has evaluated the proposed reuse of the property, the amount to be paid to the HRA for the real estate, achievement of the objectives of the HRA Disposition Policy and achievement of other public purpose goals. It is staff’s opinion that the sale of the HRA Property to the Church meets the overall goals and objectives of the HRA Disposition Policy. In either disposition policy mentioned, there is a requirement of posting the intended sale via ENS to allow other interested parties the opportunity to bid. Staff is requesting that the HRA Board waive the ENS posting requirement for the sale of the HRA Property. The request is being made due to having worked with the Church for two years on the terms of the purchase agreement which includes, but is not limited to, the Church agrees to purchase the property at its full market value of \$24,500, grant HRA reversionary rights, allow a restrictive covenant, and provide the HRA a right of first refusal if the Church were to ever sell. Additionally, there are no other known or located applications, interest, inquiries, or proposed developments for the HRA Property since the temporary use in 2016 even though it has been available to the public via the website since then. Also, maintenance costs incurred to date are over \$40,000 and continue to accumulate and it is unlikely staff will receive any other offers comparable to that of the Church in the next thirty days.

As this is a sale of HRA owned property, staff published a notice of public hearing relating to the proposed conveyance of certain real property in the Saint Paul Pioneer Press on November 30, 2025, and a public hearing will need to be conducted.

Budget Action - N/A

Future Action

There will be no further Board action. Upon approval, HRA staff will proceed with the execution of the purchase agreement and the conveyance documents and schedule a closing for the sale of the HRA Property.

Financing Structure

There is no financing or write down involved. The HRA Property will be sold for its fair market value of \$24,500, as determined by appraisal, plus closing costs.

PED Credit Committee Review - N/A

Compliance - N/A

Green/Sustainable Development - N/A

Environmental Impact Disclosure - N/A

Historic Preservation - N/A

Public Purpose/Comprehensive Plan Conformance

Conveyance of this Property is consistent with existing and future plans for the area. Specifically, pursuant to the Land Use Chapter, Policy LU-4 prioritizes investments in measures that minimize displacement in neighborhoods where the proximity to high-frequency transit has increased redevelopment pressure and/or housing costs. Policy LU-6 provides to foster equitable and sustainable economic growth by: 1) facilitating business retention and expansion; 2) proactively directing new opportunities to high-priority geographies, such as Neighborhood Nodes and ACP50 Areas; and 3) building and expanding neighborhood economic and cultural assets through the development of the local micro-economies of our Neighborhood Nodes. As the HRA Property is in the District del Sol Neighborhood Node, churches are an amenity and neighborhood anchor aligning with the intent of establishing the Neighborhood Node. In addition, Policy LU-32 is aimed at establishing or enhancing open space close to Neighborhood Nodes, such as publicly-accessible private open spaces, and Policy LU-31 suggests investment in Neighborhood Nodes will enable

people to meet their daily needs within walking distance and improve equitable access to these types of amenities. Furthermore, conveyance to the Church is aligned with the 2040 Comprehensive Plan core value of being a “people-centered” city by putting people first through recognizing and celebrating our complex and interrelated histories and treasuring our young and older residents as integral members of our community.

Statement of Chair (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 real estate located in West Side, District 3 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 November 29, 2025. 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 West Side, District 3:

<u>Property Description</u>	<u>Buyer</u>	<u>Purchase Price</u>
77 Congress Street	Iglesia Ni Christo	\$24,500.00

The above property will be sold by the HRA by a quit claim deed. Is there anyone who wishes to be heard on this sale? If not, the Chair will declare this Public Hearing closed.

Recommendation:

The Executive Director recommends approval of the sale in accordance with the resolution.

Sponsored by: Rebecca Noecker

Staff: Jenn Dull, 651-266-8498

Attachments

- **Map**
- **Draft Purchase Agreement**