



City of Duluth

411 West First Street
Duluth, Minnesota 55802

Master

File Number: 16-052-O

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**Agenda
Section:**

Committee: Planning and
Economic
Development

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Subject:

Final Action:

Title: AN ORDINANCE AUTHORIZING THE CONVEYANCE OF CERTAIN REAL PROPERTY IN THE DULUTH HEIGHTS NEIGHBORHOOD TO THE DULUTH ECONOMIC DEVELOPMENT AUTHORITY FOR NOMINAL CONSIDERATION.

Internal Notes:

Sponsors:

Enactment Date: 08/15/2016

Attachments: Exhibit A, Exhibit B, Exhibit C

Enactment Number:

Recommendation:

Hearing Date:

Drafter: derjavec@duluthmn.gov

Effective Date:

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council	08/15/2016	read for the first time				
1	City Council	09/26/2016					

Text of Legislative File 16-052-O

AN ORDINANCE AUTHORIZING THE CONVEYANCE OF CERTAIN REAL PROPERTY IN THE DULUTH HEIGHTS NEIGHBORHOOD TO THE DULUTH ECONOMIC DEVELOPMENT AUTHORITY FOR NOMINAL CONSIDERATION.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1.

(a) Pursuant to Section 2-176(a) of the Duluth City Code, 1959, as amended (the "Code"), the city council stated its intention to sell or convey certain property as set forth in Resolution 16-0614.

(b) Pursuant to Section 2-177.3 of the Code, the city council finds that the

conveyance to the Duluth Economic Development Authority (“DEDA”) of that certain real property legally described as:

The Southerly Twenty feet (S’ly 20’) of Lots Thirteen (13) through Sixteen (16), inclusive, Block Thirty-two (32), and the Southerly Twenty feet (S’ly 20’) of Lots One (1) through Five (5), inclusive, Block Thirty-three (33), all in DULUTH HEIGHTS, SIXTH DIVISION, according to the recorded plat thereof, including that part of vacated Maple Street as platted in said DULUTH HEIGHTS, SIXTH DIVISION, also known as Oregon Avenue and Niagara Street, accruing thereto by reason of the vacation thereof, reserving a utility easement under, over, upon, across, and along the Westerly Forty feet (W’ly 40’) of said portion of vacated Maple Street; and

Lots Six (6) and Seven (7), Block Thirty-three (33), DULUTH HEIGHTS, SIXTH DIVISION, according to the recorded plat thereof; and

The Southerly Twenty feet (S’ly 20’) of Lots Eight (8) through Sixteen (16), inclusive, Block Thirty-three (33), DULUTH HEIGHTS, SIXTH DIVISION, according to the recorded plat thereof.

(“City Property”)

is in the best interests of the citizens of the city and exceeds the needs of the city to retain the property.

(c) Pursuant to Section 2-176(b) of the Code, the City’s planning department reviewed the proposed conveyance of the City Property for conformity to the City’s comprehensive plan and reported that the conveyance of the City Property to DEDA conforms with said comprehensive plan, as shown on the attached Exhibit A.

(d) Pursuant to Section 2-176(c) of the Code, the St. Louis County Assessor provided a written estimated market value of the property as approximately \$100,000.

Section 2. That the proper city officials are hereby authorized to execute a quit claim deed and all other documents necessary to effectuate the conveyance of the City Property to the Duluth Economic Development Authority for nominal consideration of \$1.00.

Section 3. That this ordinance shall take effect 30 days after its passage and publication.

STATEMENT OF PURPOSE: The purpose of this ordinance is to authorize the conveyance of certain real property legally described above to the Duluth Economic Development Authority (“DEDA”) for development purposes. A map depicting the property to be conveyed is highlighted in yellow on the attached Exhibit B.

The city originally acquired this property in 1993 under a conditional use deed from the State of Minnesota, Department of Transportation (“MnDOT”) exclusively for highway purposes, but the city has not used the property for this purpose and does not intend to in the future. City staff worked with MnDOT to obtain its approval to convey the real property for non-highway purposes and future development. A copy of MnDOT’s written approval is attached as Exhibit C.

The city conducted an internal review of the property and determined that: (a) the property is surplus of the city’s future needs, (b) the needs of DEDA are greater in importance than the need of the city to retain the property, and (c) the best interests of the citizens of the city will be best served by accomplishing such conveyance.

The property has an estimated market value of approximately \$100,000. However, the city acquired the property as a free conveyance from MnDOT and would like to convey it to DEDA for the same consideration.