



Legislation Text

File #: 21-052-O, **Version:** 1

AN ORDINANCE AUTHORIZING THE CONVEYANCE OF REAL PROPERTY IN THE DENFELD 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 No. 21-0849, which property is legally described as follows (the "Property"):

Lots 7, 8, 9, and 10, Block 4, CENTREDALE ADDITION TO DULUTH, EXCEPT all minerals and mineral rights to Lots 7 and 8

St. Louis County, Minnesota.

(b) Pursuant to Section 2-177.3 of the Code, the city council finds that the conveyance to the Duluth Economic Development Authority, an economic development authority under Minnesota Statutes Chapter 469 ("DEDA"), of the 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 Property for conformity to the city's comprehensive plan and reported that the conveyance of the Property conforms with said comprehensive plan and is surplus to the city's future needs.

(d) Pursuant to Section 2-176(c) of the Code, the St. Louis County Assessor determined that the estimated market value of the Property has a current estimated market value of \$18,400.

Section 2. That the proper city officials are hereby authorized to convey the Property to DEDA for the sum of \$1.00 and execute a quit claim deed and all other documents necessary to effectuate the conveyance of the Property to DEDA.

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 real property legally described above (the "Property") to the Duluth Economic Development Authority, an economic development authority under Minnesota Statutes Chapter 469 ("DEDA"). The Property is located at 3405 Carlton Street at the intersection of Grand Avenue and Carlton Street in the Denfeld neighborhood. The City Property proposed to be conveyed is vacant land and is outlined in red on the attached Exhibit A.

These parcels have been owned by the City since 2012 and were formerly the site of a blighted single-family residence. The City acquired the property to address the blight, as well as secure it in the event Wheeler Athletic Complex operations expanded. The City Parks and Recreation Division determined that an expansion will not occur, thus rendering the Property surplus. DEDA will assemble the Property adjacent property currently owned by Holiday Companies and the State of Minnesota to create a larger development site to market to private developers for a mixed-income, multifamily housing project.

The city's planning department reviewed the proposed sale or conveyance for conformity to the city's comprehensive plan and determined that a sale or conveyance of the property conforms with said

comprehensive plan and the property is surplus to the city's future needs. The letter of conformity is attached as Exhibit B to Resolution No. 21-0849.

According to the St. Louis County assessor, the real property intended to be conveyed has a current estimated market value of \$18,400.