



Legislation Text

File #: 21-0232R, **Version:** 1

RESOLUTION AUTHORIZING THE EXECUTION OF A PURCHASE AGREEMENT WITH JOSEPH H. KLEIMAN AND ROSE A. KLEIMAN FOR THE PURCHASE OF PROPERTY IN THE ONEOTA NEIGHBORHOOD IN EXCHANGE FOR \$225,000.00 AND CONVEYANCE OF PROPERTY IN THE DULUTH HEIGHTS NEIGHBORHOOD.

CITY PROPOSAL:

WHEREAS, pursuant to Section 2-177-4 of the Duluth City Code, 1959, as amended (the "Code"), the city proposes to purchase certain real property (the "Kleiman Property") from Joseph Kleiman and Rose Kleiman (the "Kleimans") in exchange for (i) a payment of \$225,000.00 AND (ii) conveyance of certain property in the Duluth Heights neighborhood to Kleimans (the "City Property"), all pursuant to the purchase agreement substantially as that on file with the office of the City Clerk; and

WHEREAS, the City Property is comprised of vacant lots currently owned by the Duluth Economic Development Authority ("DEDA"), which the City is in the process of acquiring.

NOW, THEREFORE, BE IT RESOLVED, that the proper city officials are hereby authorized to enter into a purchase agreement with the Kleimans, substantially the same as the agreement on file with the office of the Clerk City, for the purchase of the Kleiman Property, legally described on the attached Exhibit 1, in exchange for (i) a payment of \$225,000.00 AND (ii) conveyance of the City Property, legally described on the attached Exhibit 2, to the Kleimans; funds to be disbursed from Fund No. 450-030-5510-CP2020-2005B (Capital Improvements; Finance; Land; 2020 Capital Improvement Projects; Public Safety Building).

FURTHER RESOLVED, that the property city officials are hereby authorized to execute all documents necessary to effectuate the acquisition of the Kleiman Property.

FURTHER RESOLVED, that the conveyance of the City Property will not occur unless and until: (a) the city council authorizes the sale of the City Property through Ordinance No. 21-007; (b) the City acquires the City Property from DEDA, and (c) Kleiman complies with all terms and conditions contained in the Purchase Agreement.

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the execution of a purchase agreement (the "Purchase Agreement") with Joseph Kleiman and Rose Kleiman (the "Kleimans") for the purchase of certain property (the "Kleiman Property"), in exchange for (i) a payment of \$225,000.00 AND (ii) conveyance of certain property in the Duluth Heights neighborhood to the Kleimans (the "City Property"). The terms and conditions of the acquisition are contained in the purchase agreement attached as Exhibit 3.

The Kleiman Property is depicted on Exhibit 4. It is located adjacent to 40th Avenue West and lies between Grand Avenue and W. Superior Street. The City will use the Kleiman Property as a parking lot for vehicles impounded by the police department. The City's lease on its current impound lot is expiring at the end of 2021 and the City must find a new location. The City owns property adjacent to the Kleiman Property that is used for parks maintenance operations. The 2021 valuation of the Kleiman Property by the St. Louis County Assessor is \$424,900.

The City Property is depicted on Exhibit 5. The City is in the process of acquiring the City Property from DEDA in exchange for other property owned by the City located on Sixth Avenue East. Kleiman owns several parcels of real estate located adjacent to the City Property.

The closing on the transaction will not occur unless and until: (a) the city council authorizes the sale of the City Property through Ordinance No. 21-007; (b) the City acquires the City Property from DEDA; and (c) Kleiman

complies with all terms and conditions contained in the Purchase Agreement.