



Legislation Text

File #: 18-024-O, **Version:** 1

AN ORDINANCE AUTHORIZING THE CONVEYANCE OF CERTAIN REAL PROPERTY IN THE ONEOTA NEIGHBORHOOD TO THE WESTERN LAKE SUPERIOR SANITARY DISTRICT 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 18-0391, which property is legally described as:

Lots One (1), Two (2), Four (4), and Five (5), Block Seventeen (17), ONEOTA DULUTH, according to the recorded plat thereof

(the "Property").

(b) Pursuant to Section 2-177.3 of the Code, the city council finds that the conveyance to the Western Lake Superior Sanitary District, a public corporation and political subdivision under the laws of the state of Minnesota ("WLSSD"), 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 \$16,900, and the building has a current estimated market value of \$135,100.

Section 2. That the proper city officials are hereby authorized to convey the Property to WLSSD for the sum of \$1.00 and execute the deed and all other documents necessary to effectuate the conveyance of the Property to WLSSD. WLSSD shall be responsible to bear all costs associated with the conveyance of the Property, including but not limited to closing costs, recording fees, any real estate transfer tax or conveyance fees, and title company costs.

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 ("Property") to Western Lake Superior Sanitary District, a public corporation and political subdivision under the laws of the state of Minnesota ("WLSSD"). The Property is located near the intersection of Oneota Street and Recycle Way, and an aerial view of it is depicted on the attached Exhibit A.

The city acquired Lots 1 and 2 in 1998 and Lots 4 and 5 in 1969. Western Lake Superior Sanitary District ("WLSSD") acquired Lot 3, which lies between the city-owned lots, in 2007 in connection with the Oneota Street Pump House. The Pump House was built over Lots 3 and 4 and is owned and operated by WLSSD. The City desires to transfer ownership of the real estate to WLSSD since it does not own or operate the Pump House.

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 WLSSD 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 St. Louis County Assessor determined that the estimated market value of the Property has a current estimated market value of \$16,900, and the building has a current estimated market value of \$135,100. The City would like to convey the Property for nominal consideration because of the public benefit provided by WLSSD's operation of the Oneota Street Pump House, which already exists on the Property.