EXECUTIVE SUMMARY

TITLE: Conveyance of Property from the City to the EDA - PLACE E-Generation One, LLC

RECOMMENDED ACTION: Motion to Adopt Resolution approving the conveyance of property from the City of St. Louis Park to the St. Louis Park Economic Development Authority pursuant to the proposed Purchase and Redevelopment Contract with PLACE E-Generation One, LLC.

POLICY CONSIDERATION: This action is consistent with the business terms reviewed by the Council for the redevelopment contract with PLACE.

SUMMARY: PLACE E-Generation One, LLC ("PLACE") proposes to purchase nine properties from the EDA and construct a major mixed-use redevelopment at the southeast quadrant of Highway 7 and Wooddale Ave, and the northeast corner of W 36th Street and Wooddale Ave. The proposed redevelopment site requires the assemblage of nine parcels. Of these, the City owns the following:

- 5815 Highway 7 PID 1611721310079
- 3575 Wooddale PID 1611721340024
- 5816 36th Street PID 1611721340041
- 5814 36th Street PID 1611721340042

The proposed Purchase and Redevelopment Contract between the EDA and PLACE includes the conveyance of certain property owned by the EDA and City. The City Council is being asked to convey the four City-owned properties listed above to the EDA so that the EDA may subsequently sell them to PLACE pursuant to the terms and conditions of the Contract. Under the City Charter, conveyance by the City of real property must be approved by resolution or ordinance.

FINANCIAL OR BUDGET CONSIDERATION: Under the proposed Purchase and Redevelopment Contract between the EDA and PLACE, PLACE agrees to acquire the assembled redevelopment site from the EDA for $6,245,000. To safeguard the EDA/City’s interests, closing on the site will not occur until PLACE provides evidence that financing for the entire project has been fully secured.

VISION CONSIDERATION: St. Louis Park is committed to providing a well-maintained and diverse housing stock.

SUPPORTING DOCUMENTS: Resolution

Prepared by: Greg Hunt, Economic Development Coordinator
Reviewed by: Kevin Locke, Community Development Director
Approved by: Tom Harmening, EDA Executive Director and City Manager
RESOLUTION NO. 17-____

RESOLUTION AUTHORIZING
CONVEYANCE OF CITY PROPERTY TO THE
ST. LOUIS PARK ECONOMIC DEVELOPMENT AUTHORITY

BE IT RESOLVED by the City Council ("Council") of the City of St. Louis Park (the "City") as follows:

Section 1. Recitals.

1.01. The St. Louis Park Economic Development Authority ("Authority") administers Redevelopment Project No. 1 (the "Project"), pursuant to Minnesota Statutes, Sections 469.090 to 469.1082, as amended, to promote economic redevelopment opportunities and to promote the development of land which is underutilized within the City.

1.02. Pursuant to the Act, the Authority is authorized to acquire real property, or interests therein, and to undertake certain activities to facilitate the development or redevelopment of real property by private enterprise.

1.03. The Authority is considering an offer to enter into a Purchase and Redevelopment Contract (the "Agreement") between the Authority and PLACE E-Generation One LLC (the "Redeveloper"), under which among other things the Authority will convey certain property located within the Project and described as attached in Exhibit A (the "Redevelopment Property") to the Redeveloper to facilitate the development of the Redevelopment Property.

1.04. The City currently owns the portion of the Redevelopment Property identified as the "City Parcels" in Exhibit A.

1.05. The City is authorized to convey real property pursuant to Minnesota Statutes Section 465.035 to any governmental subdivision for a nominal consideration, or pursuant to Minnesota Statutes Section 471.64 to any other political subdivision of the State.

1.06. The Authority is a political subdivision of the State pursuant to Minnesota Statutes Section 469.091, Subdivision 2.

1.07. The City finds and determines that conveyance of the City Parcels to the Authority, pursuant to the terms and conditions of the Agreement, is for a public purpose and is in the public interest because it will further the objectives of the Project.

1.08. The City finds and determines that conveyance by the Authority of the Redevelopment Property to the Redeveloper, pursuant to the terms and conditions of the Agreement, is for a public purpose and is in the public interest because it will further the objectives of the Project.
Section 2. Authorization.

2.01. The Council approves the conveyance of the City Parcels to the Authority by quit claim deed for reconveyance to the Redeveloper, subject to approval by the Authority of the Agreement and satisfaction of the conditions for closing provided therein, and authorizes and directs city staff and officials to execute the deed and related documents necessary to facilitate the transaction referenced herein and contemplated herein, with all such actions to be in accordance with the terms and conditions set forth in this Resolution and in the Agreement.

2.02. City staff and officials are authorized and directed to take any and all additional steps and actions necessary or convenient in order to accomplish the intent of this Resolution.

Reviewed for Administration:

Thomas K. Harmening, City Manager

Attest

Melissa Kennedy, City Clerk

Adopted by the City Council May 1, 2017

Jacob Spano, Mayor
EXHIBIT A

Redevelopment Property

Authority Parcels:

That part of Lot 6, Block 23, St. Louis Park; also of Lots 11 to 15 inclusive, Block 23, Lots 19 to 28 inclusive, Block 23, Lot 5, Block 24 and of Block 20 vacated in "Rearrangement Of St. Louis Park" and also of Zarthon Avenue (formerly Earle Street), Walker Street (formerly Broadway), St. Louis Avenue and of alley in Block 23, said Rearrangement and of any vacated portion of said Rearrangement included in the following described lines: Beginning at a point on Northerly right of way line of The Minneapolis & St. Louis Railway Company (which right of way line is parallel with and distant 50 feet at right angles from the center line of the Southbound main track of said Railway Company as there now located), said point being 600 feet Southwesterly from intersection of said right of way with Southwesterly boundary line of Auditor's Subdivision No. 249, Hennepin County, Minnesota; thence Northwesterly at right angles to said right of way 29 feet to a Judicial Landmark established in Torrens Case No. 7986; thence continuing Northwesterly on the last described course a distance of 166.5 feet to a Judicial Landmark established in Torrens Case No. 7986, the point of beginning of Line A to be described, thence Southwesterly on an extension of a line drawn between the last described Judicial Landmark and another Judicial Landmark to an intersection of said extended line with the Westerly line of Lot 6, Block 23, St. Louis Park, the termination of said Line A, the second Judicial Landmark above described being located as follows: Commencing at a point in the Southwesterly boundary line of Auditor's Subdivision No. 249, Hennepin County, Minnesota, said point being distant Northwesterly 29 feet, measured at right angles from the Northernly right of way line of the Minneapolis and St. Louis Railway Company (which right of way line is parallel with and distant 50 feet at right angles from the center line of the South-bound main track of said Railway Company as there now located), thence Northwesterly along said Southwesterly line and the same extended 168.4 feet to the Judicial Landmark being described; thence Southerly along said Westerly line of Lot 6, Block 23, St. Louis Park to the Southwest corner of said Lot; thence Southerly to the most Westerly corner of Block 20 vacated, "Rearrangement of St. Louis Park"; thence Southwesterly on said vacated Block 20 to the Northwesterly line of said right of way; thence Northwesterly along said right of way line to point of beginning;

Except that part of Lot 6, Block 23, St. Louis Park and that part of Lots 19 to 25 inclusive, Block 23, "Rearrangement of St. Louis Park" which lies Northwesterly of a line drawn from a point in the West line of said Lot 6 distant 35 feet South of the termination of said Line "A" to a point in said Line "A" distant 194 feet Northeasterly of the West line of said Lot 6, Hennepin County, Minnesota. Being Registered land as is evidenced by Certificate of Title No. 1132767.

AND

Those parts of Government Lots 5, 6, 7 and 8 in Section 16, Township 117 North, Range 21 West of the Fifth Principal Meridian, bounded and described as follows: Beginning at a point on the Northeasterly line of Wood Dale (or Pleasant Avenue), distant 50 feet Northwesterly, measured at right angles, from the center line of the main track of the Minneapolis and St. Louis Railway Company (now the Chicago and North Western Transportation Company), as said main track center line was originally located and established across said Section 16; thence Northeasterly parallel with said original main track center line to a point distant 14 feet Northwesterly, measured at right angles, from the center line of Chicago and North Western Transportation Company (formerly Minneapolis and St. Louis Railway Company) spur track ICC No. 253, as said spur track is now located; thence Southwesterly parallel with said spur track center line to a point distant 30 feet Northwesterly,
measured at right angles, from the center line of the main track of the Chicago and North Western
Transportation Company (formerly the Minneapolis and St. Louis Railway Company, as said main
track is now located; thence Southwesterly parallel with said last described main track center line to
a point on the Northeasterly line, or the Southeasterly extension thereof, of said Wood Dale Avenue;
thence Northwesterly along said Northeasterly line, or the Southeasterly extension thereof, of Wood
Dale Avenue, to the point of beginning. Hennepin County, Minnesota

(Abstract Property)

AND

That part of Government Lot 5, Section 16, Township 117, Range 21, Hennepin County, Minnesota,
described as follows: Commencing at a point in the Southwesterly boundary line of Auditor's
Subdivision Two Hundred Forty Nine (249) of Government Lot 5, Section 16, Township 117 North,
Range 21 West, according to the duly recorded plat thereof and situate in Hennepin County,
Minnesota, said point being distant Northwestwardly 29 feet measured at right angles thereto from
the Northerly right of way line of the Minneapolis and St. Louis Railway Company (which right of
way line is parallel with and distant 50 feet at right angles from the center line of the southbound main
track of said railway company as there now located), which point of beginning is marked by a judicial
landmark marking the Southeasterly corner of the tract herein described; thence Southwesterly
parallel with said right of way line 600 feet to a judicial landmark marking the Southwesterly corner
of the tract herein described; thence Northwesterly at right angles 166.5 feet to a judicial landmark
marking the Northerly corner of the tract herein described; thence Northeastwardly at
approximately right angles, 600 feet to a point on the Northwesterly extension of the Southwesterly
boundary line of said Auditor's Subdivision Two Hundred Forty Nine (249) to said Government Lot
5, which point is marked with a judicial landmark marking the Northeasterly corner of the tract herein
described; thence Southeastwardly upon and along said Southwesterly boundary line, as extended,
168.4 feet to the point of beginning.

Except that part which lies westerly of the following described line: Commencing at the most
northerly corner of the above described property; thence Southwesterly along the northwesterly line
of said described property a distance of 273.44 feet to the point of beginning of the line to be
described; thence Southwesterly deflecting to the left 10 degrees 51 minutes 16 seconds, 131.79 feet;
thence southerly 122.40 feet along a tangential curve concave to the east having a radius of 120.00
feet and a central angle of 58 degrees 26 minutes 30 seconds; thence southerly, tangent to said curve,
30.99 feet; thence Southwesterly 218.40 feet along a tangential curve concave to the west having a
radius of 180.00 feet and a central angle of 69 degrees 31 minutes 00 seconds and said line there
terminating. Hennepin County, Minnesota.

Being Registered land as is evidenced by Certificate of Title No. 1355391.

City Parcels:

That part of Government Lot 5, Section 16, Township 117, Range 21, Hennepin County, Minnesota,
described as follows: Commencing at a point in the Southwesterly boundary line of Auditor's
Subdivision Two Hundred Forty Nine (249) of Government Lot 5, Section 16, Township 117 North,
Range 21 West, according to the duly recorded plat thereof and situate in Hennepin County,
Minnesota, said point being distant Northwestwardly 29 feet measured at right angles thereto from
the Northerly right of way line of the Minneapolis and St. Louis Railway Company (which right of
way line is parallel with and distant 50 feet at right angles from the center line of the southbound main
track of said railway company as there now located), which point of beginning is marked by a judicial
landmark marking the Southeasterly corner of the tract herein described; thence Southwesterly parallel with said right of way line 600 feet to a judicial landmark marking the Southwesterly corner of the tract herein described; thence Northwesterly at right angles 166.5 feet to a judicial landmark marking the Northwesterly corner of the tract herein described; thence Northeastwardly at approximately right angles, 600 feet to a point on the Northwesterly extension of the Southwesterly boundary line of said Auditor's Subdivision Two Hundred Forty Nine (249) to said Government Lot 5, which point is marked with a judicial landmark marking the Northeasterly corner of the tract herein described; thence Southeastwardly upon and along said Southwesterly boundary line, as extended, 168.4 feet to the point of beginning.

Which lies westerly of the following described line: Commencing at the most northerly corner of the above described property; thence southwesterly along the northwesterly line of said described property a distance of 273.44 feet to the point of beginning of the line to be described; thence southwesterly deflecting to the left 10 degrees 51 minutes 16 seconds, 131.79 feet; thence southerly 122.40 feet along a tangential curve concave to the east having a radius of 120.00 feet and a central angle of 58 degrees 26 minutes 30 seconds; thence southerly, tangent to said curve, 30.99 feet; thence southwesterly 218.40 feet along a tangential curve concave to the west having a radius of 180.00 feet and a central angle of 69 degrees 31 minutes 00 seconds and said line there terminating, Hennepin County, Minnesota.

Being Registered land as is evidenced by Certificate of Title No. 1355392.

AND

Tract A:

Lots 5, 6, 7, and 8, Block 30, "Rearrangement of St. Louis Park, according to the recorded plat thereof, Hennepin County, Minnesota.

Being Registered land as is evidenced by Certificate of Title No, 517068.

Together with that part of the West 1/2 of all that part of vacated Earle St., aka Zarthan Ave., dedicated by the "Plat of St. Louis Park", lying northerly of Highland Ave., aka 36th St., and southerly of the westerly extension of the north line of the alley situated in Block 29, "Plat of St. Louis Park", which would accrue thereto by reason of the vacation thereof.

Tract B:

Parcel 1: That part of Lot 4, Block 30, "Rearrangement of St. Louis Park", lying South of the following described line: Commencing at a point in the Southwest line of said Lot 4, 26 feet Northwest of the most Southerly corner of said Lot 4, thence Northeast to a point in the East line of said Lot 4, 29 feet North of the most Southerly corner.

Together with that part of the West 1/2 of all that part of vacated Earle St., aka Zarthan Ave., dedicated by the "Plat of St. Louis Park", lying northerly of Highland Ave., aka 36th St., and southerly of the westerly extension of the north line of the alley situated in Block 29, "Plat of St. Louis Park", which would accrue thereto by reason of the vacation thereof.
Parcel 2: Lots 6 and 7, including that part of the adjoining vacated alley lying South of the center line thereof and between the extensions North to said center line of the West line of Lot 6 and the East line of Lot 7, all in Block 29, "St. Louis Park".

Together with that part of the East 1/2 of all that part of vacated Earle St., aka Zarthan Ave., dedicated by the "Plat of St. Louis Park", lying northerly of Highland Ave., aka 36th St., and southerly of the westerly extension of the north line of the alley situated in Block 29, "Plat of St. Louis Park", which would accrue thereto by reason of the vacation thereof.

Hennepin County, Minnesota.

Being Registered land as is evidenced by Certificate of Title No. 525746.

County Parcels:

That part of Government Lot 5, Section 16, Township 117, Range 21, bounded and described as follows: Beginning at a point on the Southwesterly line of Auditor's Subdivision 249, distant 50 feet Northwesterly, measured at right angles, from said original main track center line; thence Southwesterly parallel with said center line a distance of 600 feet; thence Northwesterly at right angles to the last described course a distance of 29 feet; thence Northeasterly parallel with said original main track center line a distance of 600 feet; thenceSoutheasterly at right angles a distance of 29 feet to the point of beginning. Hennepin County, Minnesota.

(abstract property)

AND

Tract A:

That part of the following described property:
That part of Lots 20, 21, 22 and 23, Block 29, "Rearrangement Of St. Louis Park" and that part of the adjoining vacated alleys, all described as commencing at a point on the Southwesterly line of Block 30, "Rearrangement Of St. Louis Park" distant 2.4 feet Southerly, measured along said Southwesterly line, from the Northwesterly corner of said Block 30; thence Northeasterly to a point on the East line of said Block 30 distant 6.67 feet South, measured along said East line from the Northeasterly corner of said Block 30; thence continuing Northeasterly along the last described course a distance of 56.97 feet; thence Southeasterly at a right angle 20.57 feet; thence Northeasterly at a right angle 86.47 feet to the actual point of beginning; thence continuing Northeasterly along the last described course to the center line of the vacated alley adjoining the East line of said Lots 20, 21, 22 and 23; thence South along said center line and its extension to the center line of the vacated alley adjoining the South line of said Lot 20, thence West along the last described center line to its intersection with the extension South of a line drawn from the actual point of beginning to a point on the South line of said Lot 20 distant 79 feet East from the Southwest corner of said Lot 20; thence North to the actual point of beginning;
Which lies Westerly of the East line of Lot 7 of said Block 29, extended Northerly.
Tract B:

Lots 3, 4, 9, 10 and part of Lots 2 and 11, Block 30, "Rearrangement Of St. Louis Park", and part of Lots 20 to 23, both inclusive, Block 29, "Rearrangement Of St. Louis Park", and that part of vacated Zarthan Avenue, all being described as follows:

Beginning at a point on the Southwesterly line of said Block 30 distant 2.4 feet Southerly, measured along said Southwesterly line, from the Northwesterly corner of said Block 30; thence Northeasterly in a straight line to a point on the East line of said Block 30 distant 6.67 feet South, measured along said East line, from the Northeasterly corner of said Block 30; thence continue Northeasterly along said last described course 56.97 feet; thence Southeasterly at right angles 20.57 feet; thence Northeasterly at right angles 86.47 feet; thence Southerly a distance of 89.59 feet, more or less, to the North line of the alley in Block 29, "Rearrangement Of St. Louis Park", said point being 79 feet East of the Southwest corner of Lot 20 in said Block 29; thence Westerly along the North line of said alley and the same extended to the West line of Zarthan Avenue; thence South along the West line of Zarthan Avenue to the Southerly corner of Lot 4, Block 30, "Rearrangement Of St. Louis Park"; thence Northwesterly along the Southwesterly line of said Lot 4 to the Southeasterly corner of Lot 9 in said Block 30; thence Southerly to a point on the South line of said Lot 20, Block 29, "Rearrangement Of St. Louis Park" distant 79 feet East from Southwest corner of said Lot 20.

Being Registered land as is evidenced by Certificate of Title No. 1124712.

AND
Tract A:

Lot 11; those parts of Lots 12, 13, 14, 21, 22 and 23, Block 29; those parts of Lots 2 and 11, Block 30; that part of the adjoining vacated north-south alley lying in Block 29, and vacated Zarthan Avenue, "Rearrangement of St. Louis Park" described as follows:

Commencing at the west quarter corner of Section 6, Township 28 North, Range 24 West of the 4th Principal Meridian, Hennepin County, Minnesota; thence South 00 degrees 14 minutes 49 seconds East, assumed bearing, along the west line of the Southwest Quarter of said Section 6 a distance of 492.57 feet to the southerly right of way line of the Canadian Pacific Railroad, shown as the Chicago, Milwaukee and St. Paul Railway on said plat of "Rearrangement of St. Louis Park"; thence continuing South 00 degrees 14 minutes 49 seconds East along said west line 80.00 feet; thence South 65 degrees 52 minutes 15 seconds West, 955.17 feet to the east line of said Lot 12 and the point of beginning of the parcel to be described; thence continuing South 65 degrees 52 minutes 15 seconds West, 162.71 feet to the southerly line of said Lot 14; thence North 88 degrees 58 minutes 35 seconds West, 18.23 feet along said southerly line and its westerly extension to the centerline of said alley; thence North 00 degrees 57 minutes 33 seconds East, 4.17 feet along said centerline; thence South 65 degrees 21 minutes 14 seconds West, 183.14 feet; thence North 24 degrees 38 minutes 46 seconds West, 20.57 feet; thence South 65 degrees 21 minutes 14 seconds West, 252.73 feet to the southerly line of said Lot 11, Block 30; thence North 39 degrees 00 minutes 57 seconds East, 2.40 feet along said southerly line to the said southerly right of way line; thence North 64 degrees 17 minutes 59 seconds East, 451.50 feet along said southerly right of way line; thence North 64 degrees 21 minutes 45 seconds East, 185.28 feet along said southerly right of way line to the east line of said Lot 11, Block 29; thence southerly along the east line of said Lots 11 and 12 to the point of beginning.

Tract B:

Lot 6 and those parts of Lots 7, 8, and 11 thru 21, Block 25, "Rearrangement of St. Louis Park" described as follows:

Commencing at the west quarter corner of Section 6, Township 28 North, Range 24 West of the 4th Principal Meridian, Hennepin County, Minnesota; thence South 00 degrees 14 minutes 49 seconds East, assumed bearing, along the west line of the Southwest Quarter of said Section 6 a distance of 492.57 feet to the southerly right of way line of the Canadian Pacific Railroad shown as the Chicago, Milwaukee and St. Paul Railway in the plat of "Rearrangement of St. Louis Park"; thence continuing South 00 degrees 14 minutes 49 seconds East along said west line 80.00 feet; thence South 65 degrees 52 minutes 15 seconds West, 526.90 feet to the east line of said Lot 7 and the point of beginning of the parcel to be described; thence continuing South 65 degrees 52 minutes 15 seconds West, 451.50 feet along said southerly right of way line; thence North 64 degrees 17 minutes 59 seconds East, 361.97 feet to the west line of said Lot 21; thence North 01 degrees 03 minutes 00 seconds West, 54.70 feet along said west lot line to said southerly railroad right of way line; thence North 64 degrees 21 minutes 45 seconds East, 366.58 feet along said southerly right of way line to the east line of said Lot 6; thence southerly along the east line of said Lots 6 and 7 to the point of beginning.

(Abstract Property)

The Redevelopment Property will be replatted as Lot 1, Blocks 1, 2 and 3, and Outlots A, B, and C, PLACE, Hennepin County, Minnesota.