

ROSEVILLE
REQUEST FOR COUNCIL ACTION

Date: April 12, 2021
Item No.: 9.f

Department Approval

Janice Gundlach

City Manager Approval

Sam Truog

Item Description: Adopt a Resolution Authorizing a portion of 2501 Fairview Avenue (Fairview Fire Station) to be transferred to the Roseville Economic Development Authority

BACKGROUND

On July 27, 2020, the City Council directed staff to convey a portion of 2501 Fairview Avenue (Fairview Fire Station) to the Roseville Economic Development Authority (REDA) to facilitate the sale of excess City-owned property. This decision was made in order to take advantage of the powers the REDA has that the City Council does not, primarily the right of reverter, motivating reuse of the property and return to the tax rolls. In order for the REDA to execute a sale, the City Council must first adopt a Resolution authorizing transfer of the property to the REDA.

The following language is in the Purchase Agreement, which will be presented to the REDA for authorization on April 19, 2021:

REVERTER. *If the Buyer fails to Commence Construction (which is hereby defined as the demolition of the existing building and related equipment and the completion of the construction of concrete footings suitable for the construction of the Credit Union branch pursuant to Buyer's specifications) within 12 months of the Closing Date and then diligently proceeds to substantially complete construction of the credit union branch ("Substantially Complete" being defined as completion and issuance of a temporary certificate of occupancy), within 12 months following the Commence Construction date, subject to delays caused by events of Force Majeure; and such failure is not cured within 30 days following written notice from the Seller, then the Seller shall have the right to re-enter and take possession of the Sale Parcel and to terminate and revert in the Seller the estate conveyed by the Deed to the Buyer, it being agreed that the Deed shall contain a condition subsequent to the effect that in the event of noncompliance with this Section 22 on the part of the Buyer, the Seller at its option may declare a termination in favor of the Seller of the title, and of all the rights and interests in and to the Sale Parcel conveyed to the Buyer, and that such title and all rights and interests of the Buyer, and any assigns or successors in interest to and in the Sale Parcel, shall revert to the Seller. In the event the Sale Parcel shall revert to Seller, the Seller shall pay to the Buyer an amount equal to eighty (80%) of the Purchase Price. If no Buyer default has occurred hereunder, then the Seller shall execute and deliver to Buyer, a quit claim deed, releasing any right of reverter.*

31 **POLICY OBJECTIVE**

32 One of the roles of the REDA is to assist the City in the disposal of excess property to ensure the
33 highest and best use when being redeveloped into a tax-generating property.

34 **BUDGET IMPLICATIONS**

35 The sale of Lot 2, Block 1, FAIRVIEW FIRE STATION will yield land sale proceeds and property
36 taxes. Council has previously suggested the land sale proceeds replenish the fund used for purchasing
37 Lexington Shoppes. Staff would also note, there has been additional costs associated with preparing
38 the site for sale (legal and surveyor costs), as well as a brokerage fee that will be paid at closing.

39 **STAFF RECOMMENDATION**

40 Adopt a resolution authorizing the transfer of Lot 2, Block 1, FAIRVIEW FIRE STATION to the
41 REDA (Attachment A).

42 **REQUESTED COUNCIL ACTION**

43 By motion, Adopt a resolution authorizing the transfer of Lot 2, Block 1, FAIRVIEW FIRE STATION
44 to the REDA (Attachment A).

45

Prepared by: Jeanne Kelsey, Housing and Economic Development Program Manager, 651-792-7086
Attachments: A: Resolution authorizing the transfer of a portion of 2501 Fairview Avenue North to the REDA

**EXTRACT OF MINUTES OF MEETING
OF THE
ROSEVILLE CITY COUNCIL**

* * * * *

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Roseville, County of Ramsey, Minnesota was duly held on the 12th day of April, 2021, at _____ p.m.

The following members were present:

and the following were absent:

Council member _____ introduced the following resolution and moved its adoption:

RESOLUTION No.

**RESOLUTION AUTHORIZING CONVEYANCE OF A PORTION OF CITY-OWNED
PROPERTY LOCATED AT 2501 FAIRVIEW AVENUE TO THE ROSEVILLE
ECONOMIC DEVELOPMENT AUTHORITY**

WHEREAS, the City of Roseville (the “City”) is the owner of that certain real estate in the City of Roseville, County of Ramsey and State of Minnesota, legally described on the attached Exhibit A (the “City Parcel”); and

WHEREAS, the City Parcel contains the City’s water tower and a former City fire station building; and

WHEREAS, the City is platting the City Parcel into two lots and the City Council has approved a preliminary and final plat to that effect, which is attached to this Resolution as Exhibit B; and

WHEREAS, Lot 1, Block 1, Fairview Fire Station will be retained by the City for the water tower; and

WHEREAS, the City wishes to convey Lot 2, Block 1, Fairview Fire Station (the “Redevelopment Property”) to the Roseville Economic Development Authority (“REDA”) so that the Redevelopment Property can be redeveloped; and

WHEREAS, as required by Minnesota Statutes Section 462.356, subdivision 2, the Planning Commission reviewed the proposed conveyance of the Redevelopment Property by the City to REDA at its meeting on _____, 20____ and found it to be in compliance with the City’s Comprehensive Plan; and

46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66

NOW, THEREFORE, BE IT RESOLVED, that:

1. The conveyance of the Redevelopment Property to REDA is hereby approved.
2. The Mayor and the City Manager are authorized to execute a quit claim deed from the City to REDA for the Redevelopment Property.
3. City staff and officials are authorized to take all actions necessary to transfer the Redevelopment Property to REDA, including, but not limited to, recording the quit claim deed.

The motion for the adoption of the foregoing resolution was duly seconded by Member _____, and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

WHEREUPON said resolution was declared duly passed and adopted.

Certificate

67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82

I, the undersigned, being the duly qualified City Manager of the City of Roseville, County of Ramsey, State of Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of said City Council held on the 12th day of April, 2021, with the original thereof on file in my office.

WITNESS MY HAND officially as such City Manager this ____ day of April, 2021.

SEAL

Patrick Trudgeon, City Manager

EXHIBIT A

Legal Description of the City Parcel

The South 200 feet of the North 266 feet of the East 410 feet of the Southwest Quarter of the Northwest Quarter of Section 9, Township 29, Range 23, lying West of a line lying 49.5 feet West of, and parallel with the East line of said Northwest Quarter, Ramsey County, Minnesota

Parcel ID 092923240002

