

TO: EDA PRESIDENT AND BOARD
FROM: EXECUTIVE DIRECTOR
DATE: MARCH 14, 2016



City of West Saint Paul

SUBJECT:

Consider purchasing 260 Marie Avenue East.

BACKGROUND INFORMATION:

As you know, staff negotiated a purchase offer with Mark Cemenski, owner of the subject property for \$255,000. Mr. Cemenski paid \$295,000 in August 2013. The site includes two lots. The property is currently listed for \$395,000. The current land value is \$298.60, which includes both lots.

The redevelopment plan would include purchasing the property, demolishing the building, and leasing the vacant site to Eureka Construction, Inc., to use for a staging area for the Robert Street Improvement project.

Matt Fulton recently negotiated a lease with Eureka for \$10,000 for the entire five months.

In 2017, staff will market the site to developers. The marketing plan would include: utilizing various sources and organizations like DEED, Greater MSP, MLS, EDA web site and direct contact with developers.

Braun Intertec Corporation recently completed a preliminary geotechnical evaluation and found that there were no immediate environmental concerns, (no buried tanks and asbestos was already removed).

If the land was developed to the maximum amount allowed per zoning code, a developer could build an approximately 15,000 square foot building. This would generate a new market value of approximately \$2.25 million and generate approximately \$30,000 per year in tax base, (depending on type of building.)

EXPENSES:

Purchase Bldg/Site	\$255,000
Demolition	\$ 95,000
Taxes (one Year)	\$ 12,000 – tax exempt after one year
Soft Costs (Envir/Legal)	<u>\$ 10,000</u>
Total	\$372,000

REVENUES:

Land Sale Proceeds \$283,000 (high end) \$3.25 sq/ft x 87,120 (sq/ft of parcel)
 \$196,000 (low end) \$2.25 sq/ft x 87,120 (sq/ft of parcel)
 (*\$4.27 sq/ft to break even on site assembly*)

Lease Revenue \$10,000 total (includes April – October)

Tax Base Generation \$30,000 per year – if developed to maximum retail/office

Possible Grant Funds If a project develops it might qualify for grant funds from
 various sources – depending on project

Total Dependent on the sale of the land

		Amount
Fund:	EDA Fund	
Department:	Comm. Dev.	
Account:	N/A	\$To be determined

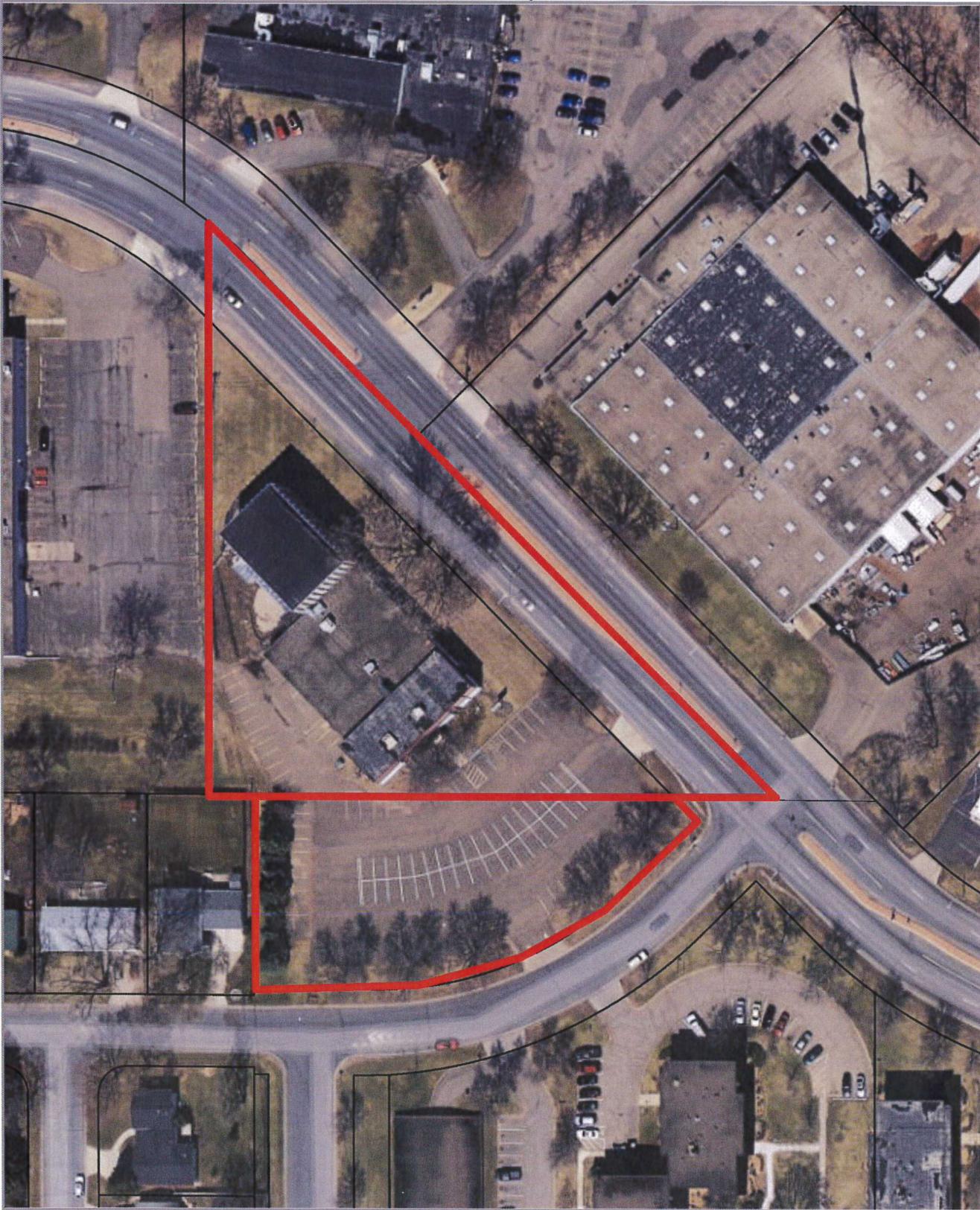
STAFF RECOMMENDATION:

Consider making a purchase offer for \$255,000 to purchase 260 Marie Avenue East.

ATTACHMENTS:

- Property Information

Dakota County, MN



1 420200083020 MARK CEMENSKY 260 MARIE AVE E	2 420290006032 MARK CEMENSKY
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Disclaimer: Map and parcel data are believed to be accurate, but accuracy is not guaranteed. This is not a legal document and should not be substituted for a title search, appraisal, survey, or for zoning verification.

Map Scale
1 inch = 100 feet

Property Card	Parcel ID Number 42-02000-83-020
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Owner Information

Fee Owner MARK CEMENSKY
Mailing Address 2343 SWAN DR MENDOTA HEIGHTS MN 55120



Property Address

Address 260 MARIE AVE E
Municipality WEST ST PAUL

Parcel Information

Last Qualified Sale 08/30/2013	Total Acres 1.85
Sale Value \$168,900.00	R/W Acres 0.59569013
Uses COMMERCIAL-PREFERRED	Water Acres
	Plat SECTION 20 TWN 28 RANGE 22
	Lot and Block 20 28 22
	Tax Description PT OF SW 1/4 OF SE 1/4 BEG S LINE 166.82 FT E OF SW COR N PARR W LINE 332.71 FT TO S LINE MARIE AVE SE ON S LINE MARIE 471.25 FT TO S LINE W ON S LINE 328.83 FT TO BEG

2015 Building Characteristics (payable 2016)*

Building Type	Year Built 0	Bedrooms
Building Style	Foundation Sq Ft	Bathrooms
Frame	Above Grade Sq Ft	Garage Sq Ft
Multiple Buildings	Finished Sq Ft	Other Garage

Miscellaneous Information

School District 197	Watershed District LOWER MISSISSIPPI	Homestead NON HOMESTEAD	Green Acres	Ag Preserve	Open Space
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Assessor Valuation

	Taxable	Estimated
2015 Land Values (payable 2016)	\$185,300.00	\$185,300.00
2015 Building Values (payable 2016)*	\$3,900.00	\$3,900.00
2015 Total Values (payable 2016)*	\$189,200.00	\$189,200.00
2014 Total Values (payable 2015)*	\$189,200.00	\$189,200.00

Property Tax Information

Net Tax (payable 2015) \$6,204.12	Special Assessments (2015) \$9,231.80	Total Tax & Assessments (2015) \$15,435.92
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* Manufactured Homes Payable the Same Year as Assessment.

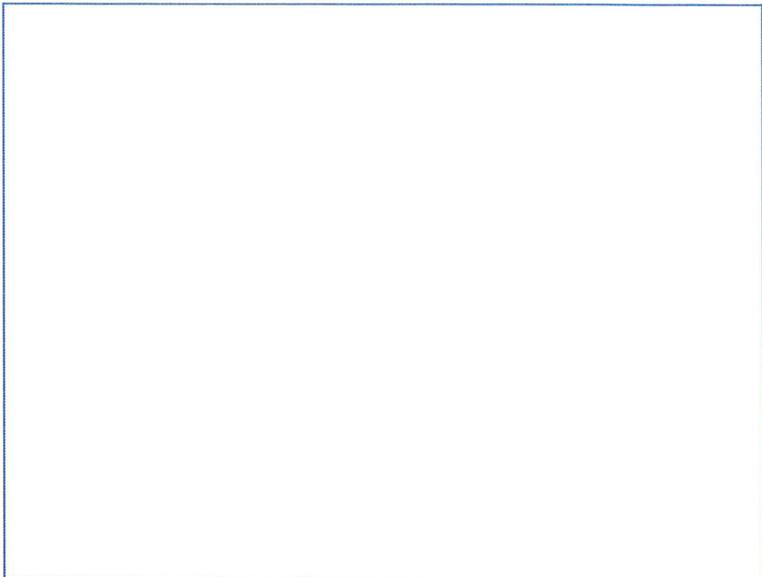
Property Card

Parcel ID Number 42-02000-83-020

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Property Card	Parcel ID Number 42-02900-06-032
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Owner Information
Fee Owner MARK CEMENSKY
Mailing Address 2343 SWAN DR MENDOTA HEIGHTS MN 55120



Property Address
Address
Municipality WEST ST PAUL

Parcel Information			
Last Qualified Sale	08/30/2013	Total Acres	0.77
Sale Value	\$101,100.00	R/W Acres	
Uses	COMMERCIAL	Water Acres	
		Plat	SECTION 29 TWN 28 RANGE 22
		Lot and Block	29 2822
		Tax Description	PT OF NW 1/4 OF NE 1/4 BEG N LINE 198 FT E OF NW COR S ON E LINE OF A.E. REHNBERGS SOUTHVIEW ADD 135 FT TO N LINE KATHLEEN DR E 76.32 FT NE ON CUR 214.37 FT N 45D E 58.11 FT TO S LINE MARIE AVE N 45D W 20.00 FT TO N LINE W 297.65 FT TO BEG

2015 Building Characteristics (payable 2016)*			
Building Type	Year Built	0	Bedrooms
Building Style	Foundation Sq Ft		Bathrooms
Frame	Above Grade Sq Ft		Garage Sq Ft
Multiple Buildings	Finished Sq Ft		Other Garage

Miscellaneous Information					
School District	Watershed District	Homestead	Green Acres	Ag Preserve	Open Space
197	LOWER MISSISSIPPI	NON HOMESTEAD			

Assessor Valuation		
	Taxable	Estimated
2015 Land Values (payable 2016)	\$113,300.00	\$113,300.00
2015 Building Values (payable 2016)*	\$0.00	\$0.00
2015 Total Values (payable 2016)*	\$113,300.00	\$113,300.00
2014 Total Values (payable 2015)*	\$113,300.00	\$113,300.00

Property Tax Information		
Net Tax (payable 2015)	Special Assessments (2015)	Total Tax & Assessments (2015)
\$4,580.60	\$0.00	\$4,580.60

Property Card

Parcel ID Number 42-02900-06-032

* Manufactured Homes Payable the Same Year as Assessment.

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