

The House of Hope Presbyterian Church
September 11, 2021
Report of Summit Avenue Parking Lot Task Force

- I. Conclusion: The value of the Summit Avenue Parking Lot (“Lot”) is in the range of \$2.5 to \$3.0 million dollars.
- II. Task Force. The Summit Avenue Parking Lot Task Force was made up of members of the Church who were given the task of assessing the present potential value of the Church’s Summit Avenue Parking Lot. The members were: Rev. Mark Barger Elliott, Rev. Lynn Barger Elliott, Jack Sjöholm, Dick Crone, Bill Geery, Ann Mack, David Phillips, Tom Radio, and Brian Alton.
- III. Property information.
The work group met several times and gathered information to help evaluate the Summit Ave parking lot. The purpose for which the group was formed was to determine if the Lot could be sold and at what price if the decision was made to sell the property, whether to help the church to meet its capital improvement needs, or for another reason.
- Lot Area: 1.49 acres.
 - Legal Description: Lots 1 through 6, Block 7, Summit Park Addition
 - Platted as: One lot 60’ x 250’ and 5 lots 40’ x 250’.
 - Present use: Since 2000, the lot has been leased to Mitchell Hamline School of Law for use by students, faculty, staff, and visitors, and parking for employees of businesses located near the property. The property has a conditional use permit granted in 1992 from the City of the Saint Paul for the business parking in an institutional lot. The present extension of the lease expires on December 31, 2021. House of Hope does not generate revenue from the lease, but all expenses of maintenance are the responsibility of the tenant.
 - Zoning: The property is zoned R2 One Family Residential.
 - Taxes: The property is exempt from real estate taxes.
- IV. Site considerations.
- The Lot is likely the largest developable parcel of property on Summit Ave.
 - Summit Ave. is an historic street that enjoys a reputation as the largest stretch of Victorian-era homes in the United States.
 - The first home on Summit Avenue was owned by Rev. Edward Duffield Neill.
 - The governor's residence, the James J. Hill House, several homes designed by Cass Gilbert, the architect of the state Capitol building, and the home of F. Scott Fitzgerald are all on Summit Ave.
 - Development of the property would require approval of the city's Heritage Preservation Commission.
 - Development would also likely be subject to approval by the Planning Commission and perhaps the City Council.

- A developer of multi-family housing would need to re-zone the Lot. No commercial use of the property would likely be permitted.
- As a parking lot, the property is underutilized. As an asset of the Church it is not being used and managed in the best possible way.
- The City does not require the church to provide this parking lot for the operation of the church. The church has sufficient parking in the Portland lot and the Holly lot to accommodate parking needs (not taking into account the preferences and convenience of the church members).

V. Sources of information.

- Ramsey County tax records.
- Comparison of recent vacant single family lot sales in the vicinity.
- Experienced local real estate professionals.
- Two well respected Twin Cities area real estate developers.
- A nearby property owner who submitted an unsolicited offer. Additional supporting information regarding value has been prepared as a separate document.

VI. Potential uses or options.

- Continue to operate as is and lease to the law school.
- Terminate the lease and continue to use as a parking lot.
- Partner with a developer who would develop multifamily housing.
- Subdivide, market and sell as single family lots.
- List the entire property for sale with a real estate broker.
- Negotiate a sale to the third party who presented an offer.

VII. Notes.

- Sale of the property will take some time and will require Congregational and Presbytery approval.
- Partnering with a developer could be controversial. Achieving the highest price for the property would also require rezoning and obtaining approval for a use that may be more dense (i.e. more housing units) than some interested parties would find acceptable.
- The site is not large enough for a senior housing facility.
- No commercial use will be allowed on the property.
- The task force did not obtain a professional appraisal by a licensed appraiser.
- The county valuation is probably less than fair market value as can be seen by the fact that the assessed value has not changed in at least five years.
- The task force did not devote much time to evaluation of the Holly Ave parking lot, the Portland Ave parking lot, or the Portland playground area. It was assumed that there is no interest in selling those parcels.