

**Request for City Council Committee Action from the Department of Community  
Planning & Economic Development - CPED**

**Date:** January 22, 2008

**To:** Council Member Lisa Goodman, Chair, Community Development Committee

**Referral to:** MCDA Board of Commissioners

**Subject:** Request to Transfer Minneapolis Community Development Agency (MCDA)  
owned parcel to the City of Minneapolis  
Land Sale Public Hearing  
Vacant Housing Recycling Program

**City Council Recommendation:**

- 1) That the City Council adopts the attached resolution transferring 1107 33<sup>rd</sup> Avenue North from the MCDA to the City of Minneapolis.
  
- 2) That the City Council adopts the attached resolution approving the sale of 1107 33<sup>rd</sup> Avenue North to The Greater Metropolitan Housing Corporation for \$3,950.00, subject to the following conditions; 1) land sale closing must occur on or before 30 days from the date of approval, and 2) payment of holding costs of \$150.00 per month from the date of approval to the date of closing if land sale closing does not occur on or before 30 days from date of approval. The sale conditions may be waived or amended with approval of the Community Planning & Economic Development (CPED) Director.

**MCDA Board Recommendation:** That the MCDA Board adopts the attached resolution authorizing the transfer of 1107 33<sup>rd</sup> Avenue North to the City of Minneapolis.

**Previous Directives:** MCDA acquired 1107 33<sup>rd</sup> Avenue North on January 21, 1999. [On October 22, 2004 the City Council approved the lot division of 1107 33<sup>rd</sup> Avenue North.](#)

Prepared by: Bill Koncak, Phone 612-673-5233 Approved by: Charles T. Lutz, Deputy CPED Director Presenters in Committee: Bill Koncak, Sr. Project Coordinator
---

**Financial Impact**

- No financial impact
  
- Action provides increased revenue for appropriation increase other financial impact:  
Eliminate property management costs.

**Community Impact**

- Neighborhood Notification: [On October 2, 2007](#) the Folwell Neighborhood Association reviewed this proposal and recommended it be approved.
- City Goals: A SAFE PLACE TO CALL HOME In five years all Minneapolis residents will have a better quality of life and access to housing and services; residents will live in a

healthy environment and benefit from healthy lifestyles; the city's infrastructure will be well-maintained and people will feel safe in the city.

- Sustainability Targets:
- Comprehensive Plan: On January 14, 2008, the Planning Commission approved the sale of this parcel as being consistent with the Comprehensive Plan.
- Zoning Code: R1A
- Living Wage/Business Subsidy Agreement      Yes\_\_\_\_\_      No X
- Job Linkage      Yes\_\_\_\_\_      No X
- Other: On October 29, 2007, the Planning Staff completed a land sale review of this parcel and deemed it a buildable lot.

**Supporting Information**

<u>PARCEL</u>	<u>ADDRESS</u>	<u>SALE PRICE</u>
VH-82A	1107 33 <sup>rd</sup> Avenue North	\$3,950.00

**PURCHASER**

The Greater Metropolitan Housing Corporation (GMHC)  
15 South Fifth Street  
Suite 710  
Minneapolis, Minnesota 55402

**PROPOSED DEVELOPMENT:**

This sub-sized lot will be assembled with GMHC's adjacent property at 1109 33<sup>rd</sup> Av N for the construction of a 3 bedroom, single family home. The house will be 1,702 square feet of living space, with an attached two-car garage.

The city-owned lot size is 32' x 101' = 3,232 square feet  
GMHC's lot size is 32' x 121' = 3,872 square feet  
The combined lot size will be approximately 7,104 square feet

**LAND DISPOSITION POLICY:**

This property is a buildable lot as defined by City policy and is being sold for development.

**FINANCING\*:**

Developer has their own financing.

\*Subject to application and underwriting requirements.

**OFFERING PROCEDURE:**

The sales price of this property does reflect the full re-use value.

**COMMENTS:**

The original lot at 1107 33<sup>rd</sup> Avenue North was divided and the southerly 22 feet of the parcel (VH-82B) was sold as a sideyard to the adjacent neighbor at 3247 Dupont Avenue North. The remaining portion of the lot (VH-82A) has no alley access and is a sub-sized lot. GMHC owns the adjacent property to the west at 1109 33<sup>rd</sup> Avenue North, which has a condemned house on its sub-sized lot. GMHC will demolish the condemned house on its lot and build a new single family home on the combined lots.

On October 22, 2004, the City Council adopted Resolution 2004R-459, approving the transfer of certain Real Property of the MCDA to the City. At that time, 1107 33<sup>rd</sup> Avenue North was specifically withheld from the transfer resolution due to the pending sale/closing by the MCDA of Parcel 82-B scheduled in November, 2004. At this time, staff is requesting

that this property be transferred from the MCDA to the City for future sale for development purposes.

## **Transferring Certain Real Property of the Minneapolis Community Development Agency to the City of Minneapolis.**

Whereas, the City Council exercising powers granted by Minnesota Laws, 2003, Chapter 127, Article 12, Sections 31-34, adopted Chapter 415, Minneapolis Code of Ordinances, establishing the Department of Community Planning and Economic Development ("CPED") and authorizing transfers to the City of money, real property, investments, personal property, assets, programs, projects, districts, developments and obligations of the Minneapolis Community Development Agency ("MCDA"); and

Whereas, pursuant to Resolution Nos. 2003R-625 and 2003R-626, both adopted on December 29, 2003, the City Council approved transfer of the money, investments, personal property, programs, projects, districts and obligations of the MCDA described therein, including the assets, rights and obligations of the Common Bond Fund, effective as of January 1, 2004; and

Whereas, the City Council has decided to now transfer certain MCDA-owned real estate;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis as follows:

1. The City Council hereby transfers and conveys to the City the MCDA real property being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

### LEGAL DESCRIPTION

#### VH-82A; 1107 33rd Avenue North

The East One-half (E ½) of the West One-half (W ½) of Lots 1 and 2, Block 8, Silver Lake Addition to Minneapolis.

2. The transfer authorized by this resolution shall be effective upon execution and delivery of a deed with respect to the property identified above or other appropriate instrument from the MCDA in favor of the City.

**Authorizing the Transfer of Certain Real Property of the Minneapolis  
Community Development Agency to the City of Minneapolis.**

Whereas, the City Council exercising powers granted by Minnesota Laws, 2003, Chapter 127, Article 12, Sections 31-34, adopted Chapter 415, Minneapolis Code of Ordinances, establishing the Department of Community Planning and Economic Development ("CPED") and authorizing transfers to the City of money, real property, investments, personal property, assets, programs, projects, districts, developments and obligations of the Minneapolis Community Development Agency ("MCDA"); and

Whereas, the City Council has determined that it is in the best interests of the City and the MCDA to now transfer real property as described in that certain resolution of the City Council dated of even date herewith (the "Transfer Resolution"); and

Whereas, the MCDA concurs with the City Council's determination that the transfer is in the best interest of the City and MCDA;

Now, Therefore, Be It Resolved by The Board of Commissioners of the Minneapolis Community Development Agency as follows:

That the adoption of the Transfer Resolution is hereby approved by the Board of Commissioners of the MCDA.

Be It Further Resolved that the proper MCDA officers and officials are hereby authorized and directed to sign and deliver such documents and agreements as may be required to accomplish the transfer identified in the Transfer Resolution, including without limitation, a deed to the real property identified on the Transfer Resolution.

## **Authorizing sale of land Vacant Housing Recycling Program**

### **Disposition Parcel No VH-82A.**

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase and develop Disposition Parcel VH-82A, in the Folwell neighborhood, from The Greater Metropolitan Housing Corporation, hereinafter known as the Redeveloper, the Parcel VH-82A, being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

#### LEGAL DESCRIPTION

##### VH-82A: 1107 33rd Avenue North

The East One-half (E ½) of the West One-half (W ½) of Lots 1 and 2, Block 8, Silver Lake Addition to Minneapolis.

Whereas, the Redeveloper has offered to pay the sum of \$3,950.00, for Parcel VH-82A to the City for the land, and the Redeveloper's proposal is in accordance with the applicable Redevelopment Plan and/or Program; and

Whereas, the Redeveloper has submitted to the City a statement of financial responsibility and qualifications; and

Whereas, the City has had the re-use value reviewed by an appraisal expert, stating that the re-use value opinion is consistent with the accepted methods in aiding the City in determining a re-use value for the Parcel; and

Whereas, pursuant to due notice thereof published in *Finance and Commerce* on January 11, 2008, a public hearing on the proposed sale was duly held on January 22, 2008, at the regularly scheduled Community Development Committee meeting of the City Council, at the Minneapolis City Hall, 350 South 5th Street, Room 317, at 1:30 p.m., in the City of Minneapolis, County of Hennepin, State of Minnesota;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the re-use value for uses in accordance with the Vacant Housing Recycling Program plan, as amended, is hereby estimated to be the sum of \$3,950.00 for Parcel VH-82A.

Be It Further Resolved that the acceptance of the offer and proposal is hereby determined to be in accordance with the City's approved disposition policy and it is further determined that the Redeveloper possesses the qualifications and financial resources

necessary to acquire and develop the parcel in accordance with the Redevelopment Plan and/or Program.

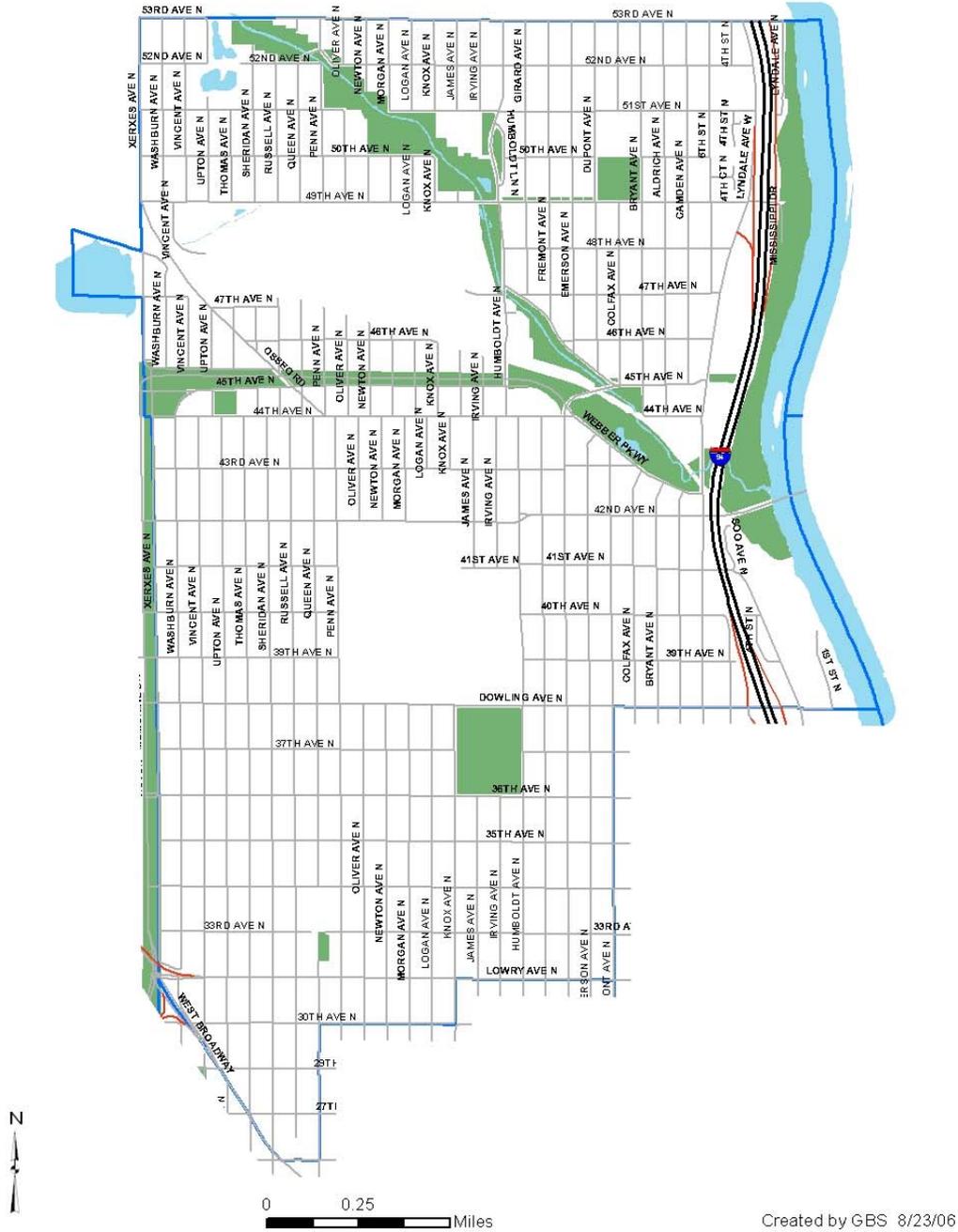
Be It Further Resolved that the proposal be and the same is hereby accepted, subject to the execution of a contract for the sale of land and further subject to the following conditions; 1) land sale closing must occur on or before 30 days from the date this Resolution is approved by the City and 2) payment of holding costs of \$150.00 per month from the date of approval of this Resolution if the land sale closing does not occur on or before 30 days from the date of approval.

Be It Further Resolved that the sale conditions described above may be waived or amended with the approval of the CPED Director.

Be It Further Resolved that upon publication of this Resolution, the Finance Officer or other appropriate official of the City be and the same is hereby authorized to execute and deliver the contract to the Redeveloper; provided, however, that this Resolution does not constitute such a contract and no such contract shall be created until executed by the Finance Officer or other appropriate official of the City.

Be It Further Resolved that the Finance Officer or other appropriate official of the City is hereby authorized to execute and deliver a conveyance of the land to the Redeveloper in accordance with the provisions of the executed contract and upon payment to the City for the purchase price thereof; provided, however, that this Resolution does not constitute such a conveyance and no such conveyance shall be created until executed by the Finance Officer or other appropriate City official of the City.

# WARD 4



**TOTAL ACQUISITION COSTS INCURRED BY CPED ATTRIBUTABLE TO THE FOLLOWING PROPERTY:**

Date: January 22, 2008  
 Subject: Land Sale – Public Hearing  
 New Housing  
 Address: 1107 33<sup>rd</sup> Avenue North  
 Purchaser: The Greater Metropolitan Housing Corporation

Disposition Parcel No. Acq Date	Address	Total CPED Costs	Less Sales Price	Write Off
VH – 82A 01/23/1999	1107 33 <sup>rd</sup> Avenue North	\$26,819.00	(-) \$3,950.00	(+) \$22,869

Re-Use Value Opinion	Less Sales Price	Write-Down
\$3,950.00	\$3,950.00	\$ 0

Write-Down  
 Reason: N/A

Developer History with CPED:  
 Long term non-profit developer in the City of Minneapolis, with many developments in over 30 years.

Developer Information:

- Single Individual(s)
- Married Individual(s)
- Limited Liability Partnership of the State of Minnesota
- Limited Liability Company of the State of Minnesota
- Corporation of the State of Minnesota
- Nonprofit Corporation of the State of Minnesota
- Other