

**Request for MCDA Board of Commissioner Action
From the Department of Community Planning & Economic Development**

Date: February 17, 2004

To: MCDA Board of Commissioners

Prepared by: Edie Oliveto-Oates, Project Coordinator, Phone 612-673-5229

Presenter in Committee: Edie Oliveto-Oates, Project Coordinator

Approved by: Chuck Lutz, Deputy CPED Director

Lee Pao Xiong, Director, Housing

Subject: Land Sale-Public Hearing

2931 – 18th Ave. S. (Parcel: TF-203)

RECOMMENDATION: Approve the sale of this parcel to Powderhorn Community Council for \$22,500 with payment of the purchase price at closing.

Previous Directives: MCDA acquired 2931 – 18th Ave. S. in May 1995.

Financial Impact (Check those that apply)

No financial impact - or - Action is within current department budget.

(If checked, go directly to Background/Supporting Information)

Action requires an appropriation increase to the Capital Budget

Action requires an appropriation increase to the Operating Budget

Action provides increased revenue for appropriation increase

Action requires use of contingency or reserves

Other financial impact (Explain):

Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact

Ward: 6

Neighborhood Notification: EPIC was notified on September 15, 2003. Staff received no comments from the Neighborhood.

City Goals: Foster the development and preservation of a mix of quality housing types that is available, affordable, meets current needs, and promotes future growth.

Comprehensive Plan: 4.9 Minneapolis will grow by increasing its supply of housing.

Zoning Code: Complies: R2B

Living Wage/Job Linkage: Not Applicable

Background/Supporting Information:

PARCEL ADDRESS SALES PRICE

TF 203 2931 – 18th Ave. S. \$22,500.00

PURCHASER: Powderhorn Community Council (PCC)

3751 – 17th Ave. s.

Minneapolis, MN 55407

PROPOSED DEVELOPMENT:

The property dimensions of this vacant lot are 40' X 123' = 4,946 sq. ft. PCC is proposing to construct a 1,543 square foot, 3-bedroom single family home that will be sold with income restrictions to a family whose income is at or below 80% of MMI.

LAND DISPOSITION POLICY:

This property is a buildable lot and is being sold for development.

FINANCING:

\$156,200 Wells Fargo Bank

\$ 13,350 MHFA

OFFERING PROCEDURE:

Advertised. The sales price reflects the appraised reuse value of this parcel.

COMMENTS:

This parcel was advertised in 2002 and advertised again for sale for development of a single family home in 2003. Proposal were received from Wisdom Builders, Inc. and PCC in 2003. Staff forwarded both of these proposals to EPIC for their review in September 2003. To date no comments have been received from the neighborhood. PCC has requested that CPED defer payment of the land sale price until the time of closing with the owner occupant to reduce their

up-front cost. At this time staff believes it is appropriate to proceed with approval of sale of this lot to PCC for development of the proposed home.

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RESOLUTION
of the
MINNEAPOLIS COMMUNITY DEVELOPMENT AGENCY

By

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Authorizing Sale of Land
Vacant Housing Recycling Project
Disposition Parcel No.TF-203

WHEREAS, the Minneapolis Community Development Agency, hereinafter known as the Agency, has received an offer to purchase and develop Disposition Parcel TF-203, in the Phillips neighborhood, from Powderhorn Community Council (PCC), hereinafter known as the Redeveloper, the Parcel TF-203, being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

LEGAL DESCRIPTION

Lot 12, Block 2, Dorseys Addition to Minneapolis.

Being registered land as is evidenced by Certificate of Title No. 829512.

WHEREAS, the Redeveloper has offered to pay the sum of \$22,500, for Parcel TF-203 to the Agency 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 Agency a statement of financial responsibility and qualifications; and

WHEREAS, the Agency 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 Agency in determining a re-use value for the Parcel; and

WHEREAS, pursuant to due notice thereof published in *Finance and Commerce* on February 6, 2004, a public hearing on the proposed sale was duly held on February 17, 2004, following 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, that the re-use value for uses in accordance with the Vacant Housing Recycling Project plan, as amended, is hereby estimated to be the sum of \$22,500 for Parcel TF-203, and

BE IT FURTHER RESOLVED, that the acceptance of the offer and proposal is hereby determined to be in accordance with the Agency's approved disposition program 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; and

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. Furthermore, that the Executive Director or other appropriate official of the Agency 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 Executive Director or other appropriate official of the Agency; and

BE IT ALSO FURTHER RESOLVED, that the Chairman and Secretary, or any other two Commissioners of the Agency, are 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 Agency 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 Chairman and Secretary, or any other two Commissioners of the Agency.

