

## Request for City Council Committee Action From the Department of Community Planning & Economic Development

**Date**: October 12, 2004

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

Council Member Barbara Johnson, Ways & Means/Budget Committee

**Refer to:** MCDA Board of Commissioners

**Prepared by**: Jack Kryst, Director, Development Finance, Phone 612-673-5130

Presenter in

**Committee**: Jack Kryst, Director, Development Finance

Approved by: Lee Sheehy, MCDA Executive Director & CPED Director

**Subject**: Request to Transfer MCDA-Owned Real Estate to City

## RECOMMENDATION:

City Council Recommendation: That the City Council adopt the attached resolution transferring certain real property of the MCDA to the City of Minneapolis.

MCDA Board Recommendation: That the MCDA Board adopt the attached resolution authorizing the transfer of certain real property of the MCDA to the City of Minneapolis.

**Previous Directives**: On August 8, 2003, the City Council adopted Resolution 2003R-358, approving certain policies and directing certain actions pertaining to the transfer of employees, assets and activities from the MCDA to the City. On December 29, 2003, the City Council adopted Resolution 2003R-625 stating that CPED staff shall prepare to transfer MCDA-owned real estate to the City by approximately April 2004. On April 16, 2004, the City Council directed the CPED Director to return to Council by June 2004 to formally request the transfer of MCDA real estate to the City.

Financial Impact (Check those that apply)
X No financial impact - or - Action is within current department budget.
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: Citywide

**Neighborhood Notification:** N/A

City Goals: N/A

Comprehensive Plan: N/A

Zoning Code: N/A

Living Wage/Job Linkage: N/A

## **Background/Supporting Information**

State legislation (Minnesota Laws 2003, Chapter 127, Article 12, Sections 31-34) authorizing the City of Minneapolis to establish the Department of Community Planning & Economic Development (CPED) included the authority to transfer assets and obligations of the Minneapolis Community Development Agency (MCDA) to the City.

On December 29, 2003, the City Council transferred certain money, investments, personal property, assets, programs, projects, districts and obligations of the MCDA to the City. MCDA-owned real estate was not transferred at that time, with the exception of real estate transferred in a separate Common Bond Fund action on the same date.

Before the remaining real estate assets could be transferred, it was necessary to first revise various City policies and procedures to reflect the development activities conducted by CPED. On April 16, 2004, the City Council revised the City's real estate transaction policies, effective as of the June 2004 effective date of various Charter changes, and directed CPED to return to Council to formally request the transfer of MCDA real estate to the City. Since April, staff teams have worked to: 1) develop an inventory of all MCDA-owned real estate; 2) identify procedural and other impediments to transfer of certain real estate assets; and 3) draft real estate transaction procedures and forms.

Staff now recommends Council approval of a resolution transferring most of the MCDA-owned real estate to the City.