



## **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:** Nancy Pray, Project Coordinator, Phone 612-673-5228

**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 2361 Ferrant Place

Dispositon Parcel: TF 651

**RECOMMENDATION:** Approve the sale of this sideyard parcel to Richard E. Peil for \$3,000.00.

**Previous Directives:** MCDA acquired 2361 Ferrant Place on October 18, 2002.

**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): Sale of this parcel will eliminate future property management expenditures.

\_\_\_Request provided to the Budget Office when provided to the Committee Coordinator

## **Community Impact**

**Ward:** 5

**Neighborhood Notification:** The Northside Neighborhood Redevelopment Council on November 10, 2003, reviewed and recommended the sale of this property for use as sideyard to the adjacent property owner.

**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:** Chapter 4, Section 4.9 states "Minneapolis will work closely with Neighborhood Revitalization Program (NRP) planning and implementation to ensure that plans are consistent with the city's Housing Policy".

**Zoning Code:** Complies: R1A

**Living Wage/Job Linkage:** Not Applicable

## **Background/Supporting Information:**

PURCHASER: Richard E. Peil  
2365 Ferrant Place  
Minneapolis, MN 55411

## **PROPOSED DEVELOPMENT:**

The property dimensions of this irregular shaped vacant lot are  $46.5 \times 120 \times 21 \times 122 = 3,767$  sq ft. The adjacent property irregular shaped owner's lot is  $38.5 \times 122 \times 13 \times 128 = 2,950$  sq ft. When combined, the revised lot will be 6,717 sq ft. The buyer plans on landscaping the parcel for use as sideyard and possibly building a fence in the future.

## **LAND DISPOSITION POLICY:**

This property is a buildable lot with a variance as defined by MCDA policy. This lot is being sold as sideyard with a conservation easement due to the irregular configuration of the lot. The conservation easement prohibits future construction of a residential dwelling on the parcel.

## **FINANCING:**

\$3,000.00 Cash from buyer

**OFFERING PROCEDURE:**

Negotiated. The sales price reflects the appraised reuse value of this parcel as side yard.

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**COMMENTS:**

Under the CPED Disposition Policy a lot which has a 28-foot frontage with 3,500 square feet is considered buildable with a variance. This parcel has a 46.5-foot frontage with 3,767 square feet. Under our policy this lot is considered buildable. But, the triangular configuration, downward sloping of the rear of this lot as well as it being a corner parcel make it difficult to build a single family home. In addition, due to the triangular configuration of all the lots on this block, the homes are placed in such a manner that they are very close to the lot lines. The rear of the adjacent parcel at 2365 Ferrant place is 13 feet wide. This makes it very difficult for the owner to construct a functional garage to provide off street parking. Also, the zoning code requires that there be at minimum an eight (8) foot set back from the street as well as a five (5) foot set back on the north side. Zoning also requires a twenty (20) foot set back in the front of the home or conforming with the other existing structures on the block. In this case, due to the irregular shape of the lot it makes it unbuildable.

An offer has been received from the owner and occupant of the adjacent single family residence, who proposes to use the lot as sideyard. Staff believes that due to the irregular configuration of the lots and the proximity of the adjacent structure to the lot line, that it is appropriate to determine that this lot is unbuildable and therefore appropriate to sell as sideyard.

**RESOLUTION**

**of the**

**MINNEAPOLIS COMMUNITY DEVELOPMENT AGENCY**

**By**

**Authorizing Sale of Land  
Vacant Housing Recycling  
Disposition Parcel No. TF-651**

**WHEREAS**, the Minneapolis Community Development Agency, hereinafter known as the Agency, has received an offer to purchase and develop Disposition Parcel TF-651, in the Willard-Hay neighborhood from Richard E. Peil, hereinafter known as the Redeveloper, the Parcel TF-651, being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

#### Legal Description

Lot 2, and the Southeasterly 4 feet of Lot 3, Walton's North Addition to Minneapolis.

Being registered property as is evidenced by Certificate of Title No. 1103035.

**WHEREAS**, the Redeveloper has offered to pay the sum of 3,000.00, for Parcel TF-651, 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**, notwithstanding the lack of a re-use appraisal, the Agency has determined the offer of \$3,000.00 to purchase the Parcel to be reasonable; 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**, the Agency Disposition Policy provided in Section III-I (3) for the sale of land for sideyard and other non-buildable development for a price of \$3,000.00, that unbuildable property may be sold for development such as the proposed landscaping at a price necessary to achieve the particular development; and

**WHEREAS**, pursuant to due notice thereof published in *Finance and Commerce* on February 6, 2004, a public hearing on said proposal and proposed sale and the provisions thereof, was duly held on February 17, 2003, 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; and

***NOW, THEREFORE, BE IT RESOLVED***, that the re-use value, for uses in accordance with the Vacant Housing Recycling, as amended, is hereby estimated to be the sum of \$3,000.00, for Parcel TF-651; 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 proposals 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.