

City of Minneapolis
Request for Committee Action

To: Community Development & Regulatory Services
Date: 12/1/2015
Referral: N/A
From: Community Planning & Economic Development
Prepared by: Earl S. Pettiford, Senior Project Coordinator
Presented by: Earl S. Pettiford, Senior Project Coordinator
File type: Resolution
Subcategory: Land Sale

Subject:

Land Sale: 2527 18th Ave. S. to Linda Kay Leonard & Mary Juanita Leonard

Description:

Passage of Resolution approving the sale of the property at 2527 18th Ave. S., TF-865 to Linda Kay Leonard & Mary-Juanita Leonard for \$20,000, subject to conditions.

Previous Actions:

The City acquired 2527 18th Ave. S. on April 3, 2015

Ward/Address:

Ward 9
2527 18th Ave. S.

Background/Analysis:

<u>PARCEL</u>	<u>ADDRESS</u>	<u>SALE PRICE</u>
TF-865	2527 18th Ave. S.	\$20,000

PURCHASER

Linda Kay Leonard & Mary-Juanita Leonard
2535 18th Ave. S.
Minneapolis, MN 55404

PROPOSED DEVELOPMENT:

The property was constructed in 1900 and is a boarded and vacant 1,944 square foot, three-bedroom, one-bath single family house that will be rehabilitated to meet the Vacant Housing Program's rehabilitation standards.

The lot size is 29' x 123' = approximately 3,555 total square feet.

Purchaser proposes to rehabilitate 2527 18th Ave S. into a three-bedroom one and one half-bath single family home with a two-car surface parking space for owner-occupancy by Mary-Jaunita Leonard.

LAND DISPOSITION POLICY:

The sale of this property is in compliance with the City's Disposition Policy. The sales price of this property reflects the full re-use value.

FINANCING*:

Cash, the purchaser has pledged funds in her ROTH IRA to finance this project.

COMMENTS:

The City is selling the property in its as-is condition. This property has been vacant and boarded and was acquired from Hennepin County Tax Forfeited Land. The purchaser, currently resides on the block, is proposing substantial renovation of this structure. Mary Juanita Leonard will occupy the home upon completion of the renovation.

While in negotiations with the purchaser, the shed on the property was burnt after it was boarded by the Minneapolis Police Department. There is a typical 10% administrative fee for any pass-through sales. Considering the burning of the shed, staff recommends waiving the administrative fee. This will result in a direct sale to the purchaser at the cost of the acquisition from the County. The savings experienced can go towards the fixing of the shed.

Notification was provided to the East Phillips neighborhood.

Financial Review:

No additional appropriation required, amount included in current budget.

- Elimination of future property management costs estimated at \$3,600 per year.
- Proposed Write-off (see attached table): \$1,344
- Proposed Re-Use Value Write-Down (see attached table): \$0

Future budget impact anticipated.

Approved by the Permanent Review Committee.

Meets Small and Underutilized Business Program goals.

Attachments:

1. 2527 18th Ave. S. Land Sale_Resolution
2. 2527 18th Ave. S. Land Sale_Ward Map
3. 2527 18th Ave. S. Land Sale_Cost Sheet
4. 2527 18th Ave. S. Land Sale_Photo