

City of Minneapolis
Request for Committee Action

To: Transportation & Public Works
Date: 6/7/2016
Referral: N/A
From: Public Works Department
Lead Staff: Robert Boblett, Real Estate Investigator I, Transportation Engineering & Design
Presented by: Robert Boblett, Real Estate Investigator I, Transportation Engineering & Design
File type: Resolution
Subcategory: Land Sale

Subject:

Reconveyance of 2900 Grand Ave. S. to the State of Minnesota and the sale of 2900-½ Grand Ave S and 2905 Harriet Ave to the adjoining owner, 2905 Associates, LLC, a Minnesota limited liability company.

Description:

1. Passage of Resolution rescinding Resolution 2016R-142, passed April 15, 2016, entitled "Approving the sale of excess land at 2900 Grand Ave S and 2905 Harriet Ave" due to discovered title issues.
2. Passage of Resolution approving the sale of excess land at 2905 Harriet Ave S and 2900 1/2 Grand Ave S to the adjoining owner, 2905 Associates LLC.
3. Passage of Resolution approving the re-conveyance of the property located at 2900 Grand Ave S to the State of Minnesota and requesting that the parcel be auctioned exclusively to owners of land adjoining the parcel and combined for tax and use purposes with the successful adjacent property.

Previous Actions:

April 15, 2016 - 2016R-142 to be rescinded due to discovered title issues.

April 29, 2016 - 2016R-176 Alley Vacation No. 1652.

Ward/Address:

Ward 10.

Background/Analysis:

This request is for authorization to reconvey a tax forfeited parcel of land back to the State of Minnesota and to sell two parcels of excess land at a price which will cover the cost of staff time, State Deed Tax and recording fees. The total of these costs is estimated at \$1,000. The adjacent developers intend to purchase the reconveyed parcel through the tax forfeited land auction process.

It was our original intent to sell 2900 Grand Ave. S. directly to the developers, and a resolution was passed to allow that sale. We were subsequently informed that sale would not be allowed, and we are therefore requesting that the previous resolution, 2016R-142, be rescinded. A new resolution will be presented which will direct staff to complete documents to reconvey 2900 Grand Ave. S. to the State of Minnesota, and to sell both 2900-½ Grand Ave. S. and 2905 Harriet Ave. to the 2905 Associates LLC.

The possible sale of these parcels was raised by the developers as part of the Minneapolis Development Review process. The City was also asked to vacate part of an alley which abuts both of the properties in question, as shown in the attached map. The alley segment has since been vacated.

The prospective buyers of the two parcels are Robb Miller and Curt Gunsbury operating as Solhem, LLC. Solhem has developed several successful projects in Minneapolis. The adjacent project is a 110-unit market-rate residential rental building.

Neither of the parcels to be sold is considered buildable, 2900-½ Grand Ave. S. due to its long and narrow configuration; 2905 Harriet Ave. due to its small area of 18 feet by 30 feet. The City was petitioned by the adjacent developers to vacate the public alley lying immediately south of 2900 Grand Ave. S., which has since been accomplished. A replacement alley is to be dedicated in a new plat.

2900-½ Grand Ave. S. was acquired 8/10/1950 from the State of Minnesota as a tax forfeited parcel with its use limited to municipal alley use. The Minneapolis City Attorney's office has stated that sufficient time has elapsed to render that limitation expired, and the City is free to dispose of the land as it chooses, for any legal use.

2905 Harriet Ave. was purchased in a market transaction from Sheffield Elevator Co. on 2/25/1925.

These parcels were offered to CPED for transfer to the adjacent private developer. CPED declined the offer, stating that the transfer did not meet CPED's development goals.

We are seeking a staff direction to dispose of these two parcels which will have been deemed to be excess property.

Financial Review:

No financial impact.

Attachments:

1. Location Maps