

**Request for City Council Committee Action from the Department of Community Planning & Economic Development – CPED**

Date: November 30, 2010

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

**Subject:** Lot Division - Land Sale Public Hearing  
Vacant Housing Recycling Program

**Recommendation:**

1. Approve the lot division of 1111 30<sup>th</sup> Avenue North.
2. Approve the sale of the 1111 30<sup>th</sup> Avenue North (part) for \$500.00 to Sonia Figueroa, as outlined in the report, subject to the following conditions; a) land sale closing must occur on or before 90 days from the date this Resolution is approved by the City and 2) payment of holding costs of \$300.00 per month (or portion thereof) if the land sale closing does not occur on or before the closing deadline. The sale conditions may be waived or amended with approval of the Community Planning & Economic Development (CPED) Director.
3. Approve the sale of the 1111 30<sup>th</sup> Avenue North (part) for \$100.00 to Mike Nehmzow, as outlined in the report, subject to the following conditions; a) land sale closing must occur on or before 90 days from the date this Resolution is approved by the City and 2) payment of holding costs of \$300.00 per month (or portion thereof) if the land sale closing does not occur on or before the closing deadline. The sale conditions may be waived or amended with approval of the Community Planning & Economic Development (CPED) Director.

**Previous Directives:** On August 21, 2007, the City Council approved release of the property at 1111 30<sup>th</sup> Avenue North for sale to the adjacent owners. On September 21, 2010, staff received CPED Director's approval to purchase the property from Hennepin County for division and sale to the two adjacent property owners, and CPED is in the process of acquiring from the State of Minnesota.

Prepared by: Edith Johnson, Senior Project Coordinator, Phone 612-673-5262
Approved by: Charles T. Lutz, Deputy CPED Director _____
Thomas A. Streit, Director Housing Policy & Development _____
Presenter in Committee: Edith Johnson, Senior Project Coordinator

**Financial Impact**

- Other financial impact: Eliminates property management costs.

**Community Impact**

- Neighborhood Notification: Hawthorne Area Community Council reviewed this proposal and recommended it be approved.
- City Goals: Livable Communities, Healthy Lives: Our built and natural environment adds character to our city, enhances our health and enriches our lives. Thoughtful neighborhood design with density done right.
- Sustainability Targets: N/A
- Comprehensive Plan: On October 4, 2010, the Planning Commission approved the sale of this parcel as being consistent with the Comprehensive Plan.
- Zoning Code: R2B

- Living Wage/Business Subsidy Agreement    Yes\_\_\_\_\_    No\_\_x\_\_
- Job Linkage    Yes\_\_\_\_\_    No\_\_x\_\_
- Other: On June 10, 2010, the Planning Staff completed a land sale review of the parcel(s) and concurred that the future land use proposed is consistent with future land use plans.

**Supporting Information**

<u>PARCEL</u>	<u>ADDRESS</u>	<u>SALE PRICE</u>
TF-761A	1111 30 <sup>th</sup> Avenue North (part)	\$500.00
TF-761B	1111 30 <sup>th</sup> Avenue North (part)	\$100.00

**PURCHASER(S)**

Sonia Figueroa  
 2951 Dupont Avenue North  
 Minneapolis, MN 55411

Mike Nehmzow  
 3943 172nd Lane NW  
 Andover, MN 55304

**PROPOSED DEVELOPMENT:**

The subject parcel will be sold to the owners of 2951 and 2945 Dupont Avenue North as rear yard and will return the adjacent properties to original plats. Additionally, the sale and lot division will provide unrestricted alley access to both properties for off-street parking.

**LAND DISPOSITION POLICY:**

This property, though it has some major development challenges from a size perspective, is defined as a buildable lot by City policy and is being divided and sold as sideyard.

**FINANCING\*:**

Cash

\*Subject to application and underwriting requirements.

**OFFERING PROCEDURE:**

The sales price reflects the full re-use value of these parcels as sideyard.

**COMMENTS:**

Sonia Figueroa and Mike Nehmzow propose to use their part of the parcel for off street parking and green space. The lot division will return each property to its original underlying plat. The property is being sold in its as-is condition and the City is conveying tax title.

**Approving the subdivision of a lot at 1111 30<sup>th</sup> Avenue North.**

Whereas, the City of Minneapolis' Department of Community Planning and Economic Development (CPED) has requested that a parcel of land located at **1111 30<sup>th</sup> Avenue North** and legally described as:

Commencing 95 feet West from the Northeast corner of Lot 1, thence West to the Northwest corner of Lot 1, thence South 65 feet, thence East to a point 95 feet West from the East line of Lot 2, thence North 65 feet to beginning, Block 16, Silver Lake Addition to Minneapolis.

be subdivided as follows:

Parcel TF-761A

Lot 1, Block 16, Silver Lake Addition to Minneapolis, except for the Easterly 95 feet thereof, Hennepin County, Minnesota.

Parcel TF-761B

Lot 2, Block 16, Silver Lake Addition to Minneapolis, except for that part of Lot 2, Block 16, described as beginning at a point on the west line of said Lot 2 distant 65 feet southerly of the northwest corner of Lot 1 in said Block 16, thence easterly parallel with the north line of said Lot 1 to a point distant 95 feet westerly of the east line of said lot 2; thence northerly parallel with the west line of said Lot 2 to the north line thereof; thence easterly to the Northeast corner of said Lot 2; thence southerly to the Southeast corner thereof; thence westerly to the Southwest corner thereof; thence northerly to the point of beginning, Hennepin County, Minnesota.

Whereas, the City of Minneapolis intends to convey the subdivided parcels listed above to the owners of the adjacent properties with the following parcels:

PARCEL TF-761A; 2951 Dupont Avenue North

The Easterly 95 feet of Lot 1, Block 16, Silver Lake Addition to Minneapolis.

PARCEL TF-761B; 2945 Dupont Avenue North

That part of Lot 2, Block 16, described as beginning at a point on the west line of said Lot 2 distant 65 feet southerly of the northwest corner of Lot 1 in said Block 16,

thence easterly parallel with the north line of said Lot 1 to a point distant 95 feet westerly of the east line of said Lot 2; thence northerly parallel with the west line of said Lot 2 to the north line thereof; thence easterly to the Northeast corner of said Lot 2; thence southerly to the Southeast corner thereof; thence westerly to the Southwest corner thereof; thence northerly to the point of beginning, Silver Lake Addition to Minneapolis.

Whereas, the proposed subdivision conforms with Minnesota Statutes Section 462.358 and Land Subdivision Regulations adopted by the Minneapolis City Council on July 14, 1995; and

Whereas, pursuant to due notice thereof published in Finance and Commerce on November 19, 2010, a public hearing on said subdivision and proposed sale was duly held in a meeting of the Community Development Committee of the City Council at 1:30 p.m., November 30, 2010, in Room 317, Minneapolis City Hall, 350 South 5th Street, in the City of Minneapolis, County of Hennepin, State of Minnesota;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the division of the above described property be approved and the requirement of a subdivision plat be waived.

Be It Further Resolved that a certified copy of this resolution shall be attached to the deeds conveying the subdivided parcels.

**Authorizing sale of land Disposition Parcel No TF-761A.**

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase the Disposition Parcel TF-761A, in the Hawthorne Neighborhood, from Sonia Figueroa, hereinafter known as the Purchaser, the Parcel TF-761A, being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

LEGAL DESCRIPTION

TF-761A; 1111 30<sup>th</sup> Avenue North (part)

Lot 1, Block 16, Silver Lake Addition to Minneapolis, except for the Easterly 95 feet thereof, Hennepin County, Minnesota.

Whereas, the Purchaser has offered to pay the sum of \$500, for Parcel TF-761A, to the City for the land; and

Whereas, the Purchaser has submitted to the City a statement of financial responsibility and qualifications; and

Whereas, on March 11, 2005, City Council approved the waiving of the Planning Commission's review of certain real estate transactions (including dispositions of non-buildable parcels) that have no relationship to the City's Comprehensive Plan; and

Whereas, the City has determined the offer of \$500 to purchase the Parcel to be reasonable; and

Whereas, the City has had the re-use value reviewed by an appraisal expert, stating that the re-use value opinion is consistent with the City's accepted methods in determining a re-use value for the Parcel; and

Whereas, the City's Real Estate Disposition Policy provided in Section 2.2.13 for the sale of land for sideyard; and

Whereas, pursuant to due notice thereof published in *Finance and Commerce* on November 19, 2010, a public hearing on said proposal and proposed sale and the provisions thereof, was duly held on November 30, 2010, 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 by The City Council of The City of Minneapolis:

That the re-use value for the Parcel TF-761A is hereby estimated to be the sum of \$500.

Be It Further Resolved that the acceptance of the offer and Purchaser's proposal is hereby determined to be in accordance with the City's approved disposition policy and it is further determined that the Purchaser possesses the qualifications and financial resources necessary to acquire and maintain the Parcel in accordance with the contract for the sale of land.

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 and further subject to the following conditions; 1) land sale closing must occur on or before 90 days from the date this Resolution is approved by the City and 2) payment of holding costs of \$300.00 per month (or portion thereof) if the land sale closing does not occur on or before the closing deadline.

Be It Further Resolved that the sale conditions described above may be waived or amended with the approval of the CPED Director.

Be It Further Resolved that upon publication of this Resolution, the Finance Officer or other appropriate official of the City 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 Finance Officer or other appropriate official of the City.

Be It Further Resolved that the Finance Officer or other appropriate official of the City is 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 City 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 and delivered by the Finance Officer or other appropriate City official of the City.

## **Authorizing sale of land Disposition Parcel No TF-761B.**

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase the Disposition Parcel TF-761B, in the Hawthorne Neighborhood, from Mike Nehmzow, hereinafter known as the Purchaser, the Parcel TF-761B, being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

### LEGAL DESCRIPTION

TF-761B; 1111 30<sup>th</sup> Avenue North (part)

Lot 2, Block 16, Silver Lake Addition to Minneapolis, except for that part of Lot 2, Block 16, described as beginning at a point on the west line of said Lot 2 distant 65 feet southerly of the northwest corner of Lot 1 in said Block 16, thence easterly parallel with the north line of said Lot 1 to a point distant 95 feet westerly of the east line of said lot 2; thence northerly parallel with the west line of said Lot 2 to the north line thereof; thence easterly to the Northeast corner of said Lot 2; thence southerly to the Southeast corner thereof; thence westerly to the Southwest corner thereof; thence northerly to the point of beginning, Hennepin County, Minnesota.

Whereas, the Purchaser has offered to pay the sum of \$100, for Parcel TF-761B, to the City for the land; and

Whereas, the Purchaser has submitted to the City a statement of financial responsibility and qualifications; and

Whereas, on March 11, 2005, City Council approved the waiving of the Planning Commission's review of certain real estate transactions (including dispositions of non-buildable parcels) that have no relationship to the City's Comprehensive Plan; and

Whereas, the City has determined the offer of \$100 to purchase the Parcel to be reasonable; and

Whereas, the City has had the re-use value reviewed by an appraisal expert, stating that the re-use value opinion is consistent with the City's accepted methods in determining a re-use value for the Parcel; and

Whereas, the City's Real Estate Disposition Policy provided in Section 2.2.13 for the sale of land for sideyard; and

Whereas, pursuant to due notice thereof published in *Finance and Commerce* on November 19, 2010, a public hearing on said proposal and proposed sale and the provisions thereof, was duly held on November 30, 2010, 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 by The City Council of The City of Minneapolis:

That the re-use value for the Parcel TF-761B is hereby estimated to be the sum of \$100.

Be It Further Resolved that the acceptance of the offer and Purchaser's proposal is hereby determined to be in accordance with the City's approved disposition policy and it is further determined that the Purchaser possesses the qualifications and financial resources necessary to acquire and maintain the Parcel in accordance with the contract for the sale of land.

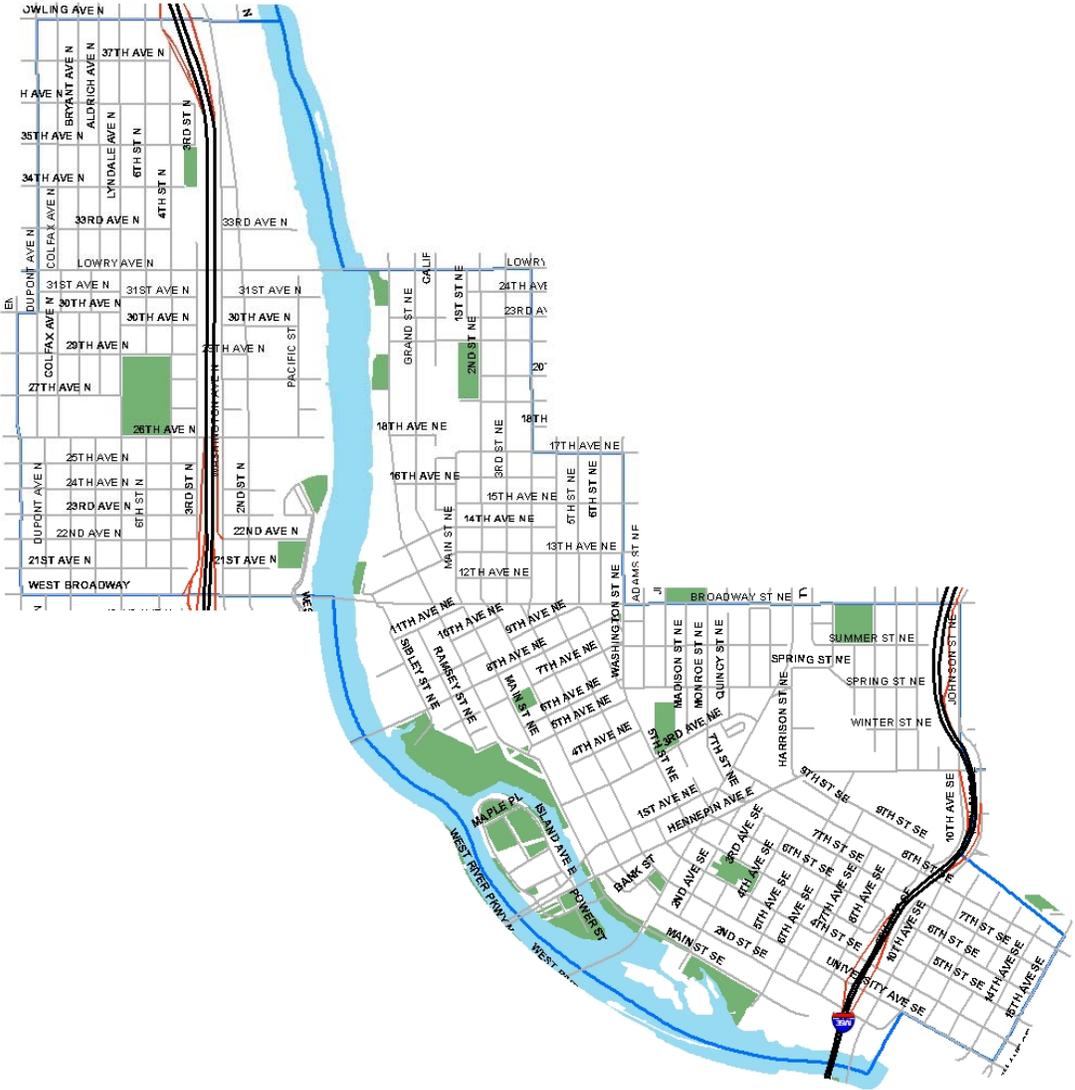
Be It Further Resolved that the proposal be and the same is hereby accepted, subject to the execution of a contract for the sale of land and further subject to the following conditions; 1) land sale closing must occur on or before 90 days from the date this Resolution is approved by the City and 2) payment of holding costs of \$300.00 per month (or portion thereof) if the land sale closing does not occur on or before the closing deadline.

Be It Further Resolved that the sale conditions described above may be waived or amended with the approval of the CPED Director.

Be It Further Resolved that upon publication of this Resolution, the Finance Officer or other appropriate official of the City 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 Finance Officer or other appropriate official of the City.

Be It Further Resolved that the Finance Officer or other appropriate official of the City is 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 City 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 and delivered by the Finance Officer or other appropriate City official of the City.

# WARD 3



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**TOTAL ACQUISITION COSTS INCURRED BY CPED ATTRIBUTABLE TO THE FOLLOWING PROPERTY:**

Date: November 30, 2010  
 Subject: Lot Division - Land Sale Public Hearing  
 Vacant Housing Recycling Program  
 Address: 1111 30<sup>th</sup> Avenue North (part)  
 Purchaser: Sonia Figueroa

Disposition Parcel No. Acq Date	Address	Total CPED Costs	Less Sales Price	Write Off
TF-621A pending	1111 30 <sup>th</sup> Avenue North (part)	\$500	(-)\$500	(+/-)\$0

Re-Use Value Opinion	Less Sales Price	Write-Down
\$500	\$500	\$0

Write-Down  
 Reason: N/A

Developer History with CPED:  
 N/A

Developer Information:

- Single Individual(s)
- Married Individual(s)
- Limited Liability Partnership of the State of Minnesota
- Limited Liability Company of the State of Minnesota
- Corporation of the State of Minnesota
- Nonprofit Corporation of the State of Minnesota
- Other

**TOTAL ACQUISITION COSTS INCURRED BY CPED ATTRIBUTABLE TO THE FOLLOWING PROPERTY:**

Date: November 30, 2010  
 Subject: Lot Division - Land Sale Public Hearing  
 Vacant Housing Recycling Program  
 Address: 1111 30<sup>th</sup> Avenue North (part)  
 Purchaser: Mike Nehmzow

Disposition Parcel No. Acq Date	Address	Total CPED Costs	Less Sales Price	Write Off
TF-761B pending	1111 30 <sup>th</sup> Avenue North (part)	\$100	(-)\$100	(+/-)\$0

Re-Use Value Opinion	Less Sales Price	Write-Down
\$100	\$100	\$0

Write-Down  
 Reason: N/A

Developer History with CPED:  
 N/A

Developer Information:

- Single Individual(s)
- Married Individual(s)
- Limited Liability Partnership of the State of Minnesota
- Limited Liability Company of the State of Minnesota
- Corporation of the State of Minnesota
- Nonprofit Corporation of the State of Minnesota
- Other