



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

Date: December 13, 2005

To: Council Member Lisa Goodman, Community Development Committee

Prepared by: Nancy Pray, Project Coordinator, Phone 612-673-5228

Presenter in Committee: Edie Oliveto-Oates, Senior Project Coordinator

Approved by: Chuck Lutz, Deputy CPED Director _____
Elizabeth Ryan, Director, Housing Policy & Development _____

Subject: Land Sale – Public Hearing
Model City Urban Renewal Project

RECOMMENDATION: Approve the sale of 2714 14th Avenue South to the Minneapolis Public Housing Authority (MPHA) for \$1.00, subject to the following conditions;

- 1) land sale closing must occur on or before 30 days from date of approval; and
- 2) payment of holding costs of \$150.00 per month from the date of approval to the date of closing if land sale closing does not occur on or before 30 days from date of approval.

The sale conditions may be waived or amended with the approval of the CPED Director.

Previous Directives: CPED acquired 2714 14th Avenue South as a tax forfeited parcel on July 11, 1993.

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): Eliminate property management costs.
- Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact (Summarize below)

Ward: 6

Neighborhood Notification: Midtown Phillips Neighborhood Association, reviewed this proposal and recommended it be approved.

City Goals: Preserve and enhance our natural and historic environment and promote a clean, sustainable Minneapolis.

Comprehensive Plan: On March 11, 2005, City Council approved the Waiving of Planning Commission’s review for certain real estate Transaction (including side yard dispositions) that have no relationship to the City’s Comprehensive Plan.

Zoning Code: R2B

Living Wage/Job Linkage: N/A

Other: N/A

Background/Supporting Information

<u>PARCEL</u>	<u>ADDRESS</u>	<u>SALE PRICE</u>
MC 206-28B	2714 14 th Ave S	\$1.00

PURCHASER
 Minneapolis Public Housing Authority (MPHA)
 1001 Washington Avenue North
 Minneapolis, MN 55401

PROPOSED DEVELOPMENT:
 The property dimensions of this vacant lot are 16’ x 127’ or 2,032 sq ft. The adjoining property owned by MPHA is 33’ x 127’ or 4,191 sq ft. When combined, the revised lot will be 49’ x 127’ or 6,223 sq ft.

LAND DISPOSITION POLICY:

This property is a non-buildable lot as defined by City policy and is being sold for side yard.

FINANCING: Cash

OFFERING PROCEDURE:

The sales price reflects the appraised value of this parcel.

COMMENTS:

The original dimension of this side yard parcel was 33' x 127' or 4,191 square feet. On November 16, 1998 the City Council approved the lot division and sale of parcel #206-28A (16.5' x 127' or 2,095.5 sq ft) to the owner of the duplex located at 2716 14th Ave S. The remaining one half of the lot was to be negotiated for purchase to MPHA. MPHA owns a vacant lot located at 2712 14th Ave S.

MPHA plans to combine the property as side yard with their lot at 2712 14th Avenue South. MPHA is considering constructing a garage on the site to serve the residents of the existing duplex.

Upon receipt of the offer, staff forwarded the request to the Midtown Phillips Neighborhood Association for review. We have received recommendation from the neighborhood that lends support to the sale of 2714 14th Avenue South as a side yard. Staff concurs and recommends the sale of this parcel to MPHA for \$1.00.

**Authorizing sale of land Disposition
Model City Urban Renewal Project
Parcel No. MC 206-28B**

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase the Disposition Parcel MC 206-28B, in the Phillips neighborhood, from Minneapolis Public Housing Authority (MPHA), hereinafter known as the Purchaser, the Parcel MC 206-28B, being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

Legal Description

Lot 6, Slafter's Rearrangement of Block 4, Wrights Addition to Minneapolis except the South 1/2 thereof.

Registered land as is evidenced by Certificate of Title No. 1142734.

Whereas, the Purchaser has offered to pay the sum of \$1.00, for Parcel MC 206-28B, 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 sideyard dispositions) that have no relationship to Comprehensive Plan; and

Whereas, the City has determined the offer of \$1.00 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 December 2, 2005, a public hearing on said proposal and proposed sale and the provisions thereof, was duly held on December 13, 2005, 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 MC 206-28B is hereby estimated to be the sum of \$1.00.

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 offer is hereby accepted, subject to the execution of a contract for the sale of land. Furthermore, that the Finance Officer or other appropriate official of the City is hereby authorized to execute and deliver the contract to the Purchaser; 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 upon publication of this Resolution, the Finance Officer or other appropriate official of the City is hereby authorized to execute and deliver a conveyance of the land to the Purchaser in accordance with the provisions of the executed contract and upon payment to the City of 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 Finance Officer or other appropriate official of the City.

