



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

Date: January 17, 2012

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

**Subject:** Land Sale Public Hearing  
Model Cities Parcel MC 267-16

**Recommendation:** Approve the sale of 2928 18th Ave S to Patricia Forestal-Ortiz for \$600, 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, and 3) a conservation easement will be placed on the parcel to preserve its use as green space. The sale conditions 1 and 2 may be waived or amended with approval of the Community Planning & Economic Development (CPED) Director.

**Previous Directives:** CPED acquired 2928 18th Ave S on December 22, 1993.

Prepared by: Rebecca Law, Project Manager, Phone 612-673-5064  
Approved by: Charles T. Lutz, Deputy CPED Director \_\_\_\_\_  
Thomas A. Streitz, Director Housing Policy & Development \_\_\_\_\_  
Presenters in Committee: Rebecca Law, Project Manager

**Financial Impact**

- Other financial impact: Eliminate property management costs.

**Community Impact**

- Neighborhood Notification: East Phillips Improvement Coalition reviewed this proposal and had no objections.
- Comprehensive Plan: On November 17, 2008, the Planning Commission approved the sale of this parcel as being consistent with the Comprehensive Plan.
- Zoning Code: R2B
- Other: On January 9, 2006, the Planning Staff completed a land sale review of this parcel and deemed it a buildable lot.

**Supporting Information**

<u>PARCEL</u>	<u>ADDRESS</u>	<u>SALE PRICE</u>
MC 267-16	2928 18th Ave S	\$600

**PURCHASER**

Patricia Forestal-Ortiz  
2924 18th Avenue South  
Minneapolis, MN 55407

**PROPOSED DEVELOPMENT:**

The proposed purchaser is an adjacent property owner. Patricia Forestal-Ortiz plans to use the lot for green space.

The lot size is 30' x 123' = 3,690 total square feet.

**LAND DISPOSITION POLICY:**

This property is a buildable lot as defined by City policy. A conservation easement will be placed on the lot at the time of sale so that the parcel can only be used for green space.

**OFFERING PROCEDURE:**

Offer from adjacent property owner. The sales price of this property does reflect the full re-use value as a sideyard with a conservation easement.

**COMMENTS:**

Attempts to sell this under-sized parcel for housing development have been unsuccessful. The adjacent buildings on both sides of this lot are only one foot off the property line. In addition, the adjacent property at 2924 18<sup>th</sup> Ave South contains "The People's Garage." All of these factors have made selling the lot for new construction very challenging over the 18 years of City ownership. Therefore, the proposed sale is consistent with the City's policy allowing buildable lots to be sold as sideyards when the adjacent lots contain conflicting land uses that make the "buildable lot" unsuitable for housing construction.

## **Authorizing Sale of Land Disposition Parcel No. MC 267-16.**

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase Disposition Parcel MC 267-16, in the East Phillips neighborhood, from Patricia Forestal-Ortiz, hereinafter known as the Purchaser, Parcel MC 267-16, being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

### LEGAL DESCRIPTION

MC 267-16; 2928 18th Avenue South  
Lot 1, Block 3, Belle Plain Addition to Minneapolis. Also that part of Niagara Street as originally platted in Heatons Addition to Minneapolis described as follows:  
Beginning at the Northeast corner of Lot 1, Block 1, Dorsey's Addition to Minneapolis running thence West on North line of said Lot 1 to the Northwest corner of said Lot 1; thence at right angles North 30 feet; thence at right angles East to a point North of the 30 feet distant from point of beginning; thence at right angles South to place of beginning.

Whereas, the Purchaser has offered to pay the sum of \$600 to the City for Parcel MC 267-16; and

Whereas, the City has determined the offer of \$600 to be in accordance with the re-use value reviewed by an appraisal expert, and consistent with the City's accepted methods in determining re-use values; 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 January 6, 2012, a public hearing on said proposal and proposed sale and the provisions thereof, was duly held on January 17, 2012, 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 Parcel MC 267-16 is hereby estimated to be the sum of \$600.

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.

Be It Further Resolved that the proposal be and the same is hereby accepted, 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; 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; and 3) a conservation easement will be placed on the parcel to preserve its use as green space.

Be It Further Resolved that the sale conditions 1 and 2 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 is hereby authorized to execute and deliver a conveyance of the land to the Redeveloper 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.



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

Date: January 17, 2012  
 Subject: Land Sale – Public Hearing  
 Model Cities  
 Address: 2928 18th Avenue South  
 Purchaser: Patricia Forestal-Ortiz

Disposition Parcel No. Acq Date	Address	Total CPED Costs	Less Sales Price	Write Off
MC 267-16 12/22/93	2928 18th Ave S	\$12,830.00	(-) \$600	\$12,230.00

Re-Use Value Opinion	Less Sales Price	Write-Down
\$600	\$600	\$0

Developer History with CPED:

None

Developer Information:

Single Individual(s)