

CITY OF MINNEAPOLIS TORNADO RECOVERY HOUSING PROGRAM

The Minneapolis Community Planning and Economic Development (CPED) department proposes to use up to \$580,000 of the \$1 million in tornado recovery tax increment financing (TIF) funds authorized under Laws 2011, First Special Session, c. 7, art. 5, §12 on a concentrated three-year effort to address the problem of vacant and/or boarded one- and two-unit structures in north Minneapolis that were damaged during the May 2011 tornado.

PROGRAM PURPOSE

One of the major blighting influences in inner city neighborhoods is the presence of vacant and boarded structures which are visually unattractive, present a health and safety hazard, depress property values and discourage potential homebuyers from locating in the area.

CPED, in partnership with Regulatory Services and others, has identified properties in north Minneapolis that suffered moderate to severe damage during the May 2011 tornado and which have not yet been repaired or rehabbed.

In addition to the property damage, many of these structures appear to be vacant and/or abandoned.

PROGRAM DETAILS

CPED will use the tornado recovery TIF funds for the acquisition and demolition of these structures and then dispose of the vacant lots in accordance with the City's existing Real Estate Acquisition and Real Estate Disposition policies (http://www.minneapolismn.gov/policies/policies_real-estate-transactions) and the guidelines below:

1. Funds will be used only for single family and duplex properties damaged by the May 2011 tornado.

2. Funds will be used for acquisition and demolition costs.
3. CPED will follow standard due diligence procedures in determining property eligibility.
4. CPED staff will continue to work with City Regulatory Services in identifying damaged properties.
5. Vacant lots will be sold for their fair market value under CPED's disposition procedures via Single Family Housing's Vacant Lot List or they will be sold for \$1 under CPED's disposition procedures via the Green Homes North program (attached).
6. CPED will follow all City policies and internal protocols currently in place with respect to demolition of structures, neighborhood and council member notifications, land sales, construction management and other related activities.