



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

Date: June 18, 2013

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

Referral to: Council Member Betsy Hodges, Ways and Means/Budget Committee

**Subject: Green Homes North Funding Awards and Land Sale Public Hearing**

**Recommendations:**

1. Approve the recommendation to award up to \$1,059,455 for development gap funding for the construction of 15 green homes on City-owned vacant lots in North Minneapolis, as submitted by four non-profit developers (Artspace Projects, Inc., Greater Metropolitan Housing Corporation, PPL Homes, LLC and PRG, Inc.) and one private developer (Peyser LLC) in response to the City's Request for Proposals.
2. Authorize the appropriate City officials to enter into related agreements with the selected qualified developers, including additional Green Homes North program requirements identified by the Design Review Committee.
3. Approve the sale of the properties identified below to the developers and for the prices shown, subject in each case 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 b) 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.
4. Accept an \$80,000 grant from the Family Housing Fund for the Green Homes North Program and authorize appropriate City officials to execute an agreement for the grant.
5. Increase the 2013 Revenue Budget for the Community Planning & Economic Development agency Fund 01600-Other Grants-State and Local (01600-8900900-3720-01) by \$80,000.
6. Amend the 2012 General Appropriation Resolution by increasing the Community Planning & Economic Development agency Fund 01600-Other Grants-State and Local (01600-8900230) appropriation by \$80,000.

**Previous Directives:** On July 20, 2012, the City Council approved the Green Homes North Program. All properties were acquired on the dates shown below.

Prepared by: Cherie Shoquist, Principal Project Coordinator, 612.673.5078

Approved by: Charles T. Lutz, Deputy CPED Director \_\_\_\_\_

Thomas A. Streit, Director Housing Policy & Development \_\_\_\_\_

Presenters in Committee: Cherie Shoquist

## Financial Impact

- Impacts on CPED Budget:

Action requires an appropriation increase to the Operating Budget  
Dept Name: Community Planning & Economic Development – 8900230  
Fund Name: 01600 - Other Grants-State and Local  
Amount: \$80,000

Action increases the revenue budget

Dept Name: Community Planning & Economic Development - 8900900  
Fund Name: 01600 - Other Grants-State and Local  
Amount: \$80,000

Elimination of future property management costs with a combined estimate of \$54,000 per year.

- Other financial impacts:

Proposed Total CPED Land Assembly Costs Write-Off: \$ 311,935  
Proposed Sales Price Write-down from Re-Use Value Appraisal: \$ 0

## Community Impact

- Neighborhood Notification: All of the affected neighborhoods have been notified.
- City Goals: A SAFE PLACE TO CALL HOME People and businesses thrive in a safe and secure city.
- Sustainability Targets: Vital Community-Affordable housing
- Comprehensive Plan: On April 8, 2013, April 22, 2013 and June 10, 2013, the Planning Commission approved the sale of these parcels as being consistent with the Comprehensive Plan.
- Zoning Code: Will comply
- Other: The Planning Staff completed a land sale review of all of these parcels and deemed them to be buildable lots.

## Supporting Information

The Green Homes North (GHN) Program will provide home buyers with newly constructed green homes on City-owned vacant lots in North Minneapolis to strengthen the sustainability of our communities. GHN incorporates: quality green design standards; green, energy efficiency, and sustainability standards; job creation and workforce development; sourcing of local green products; and marketing to meet homebuyer expectations. Homes will be constructed to the Minnesota Green Communities Standards as developed by the State of Minnesota or certified as LEED for Homes. It is anticipated that the number of proposals received and awarded each year will increase to achieve our goal of 100 new GHN in North Minneapolis in five years.

In 2013, GHN is funded by \$1.2 million in grants, consisting of:

- City of Minneapolis: \$500,000
- Minneapolis Tornado Tax Increment Financing: \$300,000
- Minnesota Housing Community Revitalization Grant: \$250,000
- Family Housing Fund: \$150,000

GHN awards may be supplemented with other funds including other Public (CDBG, HOME, State and County) and private sources. The Twin Cities Community Land Bank is providing loans to GHN projects with 2%-3% interest. The GHN awards will be structured as no-interest loans that are forgivable upon sale to a qualified homebuyer.

A request for proposals was issued for GHN Program on January 11, 2013, with proposals due on February 15, 2013 for Design Phase 1 and May 3, 2013 for Design Phase 2. Each of the proposals were reviewed by the design review committee. The committee consists of an architect, a North Minneapolis neighborhood representative, the CPED Housing Director, CPED Planning staff, and CPED Zoning staff. The following design review recommendations were made:

- Projects will work with a third party for energy rating (required for certification). This will help to verify that the building envelope is tight and will provide optimal energy efficiency. This will increase the ability to market the homes as green and will add to the future potential resale value of the green homes. Certification will also provide a common method tracking data for program evaluation.
- Landscaping designs could be stronger; projects will consider drainage, perhaps permeable pavers. Native landscaping and rain gardens are encouraged.
- Planning, zoning and code compliance recommendations made at each phase of the design review will assist projects to expedite construction timelines.

Proposals were received from six developers: Artspace Projects, Inc. (Artspace), Greater Metropolitan Housing Corporation (GMHC), PPL Homes, LLC (PPL), PRG, Inc. (PRG), Peyser, LLC (Peyser) and Mitchell Construction, Inc. The developers proposed to construct 18 new homes (Artspace-4, GMHC-4, PPL-3, PRG-2, Peyser-2 and Mitchell Construction-3), in accordance with the GHN program guidelines. Mitchell Construction, Inc. withdrew as a developer before Design Phase 2, but plans to continue to serve as a general contractor for developers on GHN projects.

Staff recommends the following 15 projects be approved for development funding under the GHN program as identified in the table below:

Address	Parcel #	Neighborhood	Purchaser	Sale Price	Acquisition Date	Proposed GHN Award
2500 Plymouth AVE N	WH 72-18	Willard-Hay	Artspace	\$2,407	2/17/1981	\$66,935
2506 Plymouth AVE N	WH 72-17	Willard-Hay	Artspace	\$2,223	4/28/1998	\$66,851
2510 Plymouth AVE N	WH 72-16	Willard-Hay	Artspace	\$2,223	5/31/1996	\$66,851
2426 Plymouth AVE N	TF-779	Willard-Hay	Artspace	\$2,581	3/1/2013	\$67,109
3963 Colfax AVE N	2N143	Camden	GMHC	\$3,541	8/25/2011	\$75,000
3830 Colfax AVE N	2N149	Camden	GMHC	\$3,875	9/8/2011	\$75,000
3319 Fremont AVE N	2N002	Folwell	GMHC	\$2,860	9/29/2010	\$75,000
1317 Sheridan AVE N	2N014	Willard-Hay	GMHC	\$2,848	10/29/2010	\$75,000
3018 4th ST N	VH-350	Hawthorne	PPL	\$4,540	2/2/2009	\$60,000
3020 4th ST N	VH-386	Hawthorne	PPL	\$3,440	03/6/2009	\$60,000
329 31st AVE N	VH-213	Hawthorne	PPL	\$2,200	12/23/2005	\$60,000
2025 3rd AVE N	2N096	Harrison	PRG	\$1,900	4/27/2011	\$50,000
2611 James AVE N	3L021	Jordan	PRG	\$2,721	3/1/2013	\$66,000
4150 Upton AVE N	VH-411	Victory	Peyser	\$3,800	3/20/2009	\$96,644
3858 Sheridan AVE N	2N003	Victory	Peyser	\$6,042	9/29/2010	\$99,065
<b>TOTAL</b>				<b>\$47,201</b>		<b>\$1,059,455</b>

### **PROPOSED DEVELOPMENT:**

All of the GHN projects are new construction of an energy efficient green single family home that will be sold to an owner-occupant for fair market value. Below is a brief description of the housing units being proposed by each developer:

#### **Artspace**

2550 3<sup>rd</sup> Ave N, Suite 500  
Minneapolis, MN

Artspace proposes to develop four single family housing units designed as artist live-work units. Each has 3 Bedrooms and 3 Baths and a total of 1,700 square feet per unit. The Design Committee has requested two of the four units be designed to meet the required floor area ratio. The other two are being built on smaller parcels and may request a variance.

#### **PPL**

1035 E Franklin  
Minneapolis MN

Like in GHN Round 1, all three of PPL's proposals are for development in the Hawthorne Eco-Village. Two have 3 Bedrooms and 2 1/2 Baths and a total of 2,400 square feet per unit. One has 3 Bedrooms and 2 Baths and a total of 1,400 square feet per unit.

#### **GMHC**

15 S. 5<sup>th</sup> Street Suite 710  
Minneapolis MN

All four of GMHC proposed developments are slated for construction on sites that were demolished as a result of the Tornado. These are the first tornado-damaged lots being developed under this program. Each has 3 Bedrooms and 3 Baths and a total of 1,650 square feet per unit.

#### **PRG**

2017 E 38<sup>th</sup> Street  
Minneapolis MN

PRG proposes to develop two housing units. One is in the Harrison neighborhood where PRG has partnered with the neighborhood group to help with stabilization efforts in a targeted area in the neighborhood. PRG commenced this work with some Neighborhood dollars and have since leveraged some state and Neighborhood Stabilization Program dollars to effectuate the plan. The other parcel is in the Jordan neighborhood in the demonstration cluster of the Northside Home Fund, where a number of parcels will be developed as part of GHN Round 1. Each has 3 Bedrooms and 1 1/2 Baths and a total of 1,856 square feet per unit.

#### **Peyser**

3505 W 28<sup>th</sup> Street  
Minneapolis MN

This is the first project that the developer has done with the City of Minneapolis. The proposed project is a similar-designed house that boasts 3 Bedrooms and 2 1/2 Baths and a total of 1,775 square feet per unit. Both units are being built in the Victory neighborhood.

**LAND DISPOSITION POLICY:**

These properties are buildable lots as defined by City policy and are being sold for development under the GHN Program.

**FINANCING\*:**

All projects are fully financed using a combination of public and private funding.

\*Subject to application and underwriting requirements.

**OFFERING PROCEDURE:**

Public Advertisement-Request for Proposals. The sales price of these properties does reflect the full re-use value.

**COMMENTS:**

The developers are making final amendments to their plans in keeping with neighborhood and design committee recommendations as described above. The final plan for each home will be further reviewed by CPED zoning and construction management staff.

Some of the properties being sold were purchased under the Neighborhood Stabilization Program 1 and 2. In accordance with HUD guidance "change in use" requirements apply to all properties acquired or improved in the NSP program. Under "change in use" rules, a property must continue to meet a national objective until 5 years after grant closeout. If a national objective is no longer going to be met, the City can, after consulting affected citizens, repay the current Fair Market Value (FMV) of the property and the new use does not need to meet a national objective. The requirement states that the City's NSP program must be reimbursed the current FMV."

The properties were included in a Request for Proposal that was available to the public on the City's Web site. The public hearing for the sale of these properties is advertised and the hearing is open for comment from the public. These actions meet HUD's requirements for a "Change in Use" and the NSP requirements are removed from the property when the program is reimbursed the Fair Market Value of the properties. Therefore, the City is not required to place any NSP restrictions on the sale of these properties.

**Authorizing sale of land Green Homes North Program  
Disposition Parcels No WH 72-18, WH 72-17, WH 72-16, and TF-779.**

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase and develop Disposition Parcels WH 72-18, WH 72-17, WH 72-16, and TF-779, in the in the Willard Hay neighborhood, from Artspace Projects, Inc., hereinafter known as the Redeveloper, the Parcels WH 72-18, WH 72-17, WH 72-16, and TF-779 being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

LEGAL DESCRIPTION

WH 72-18; 2500 Plymouth Avenue North

Lot 12, Block 4, W.H. Lauderdale's Addition to Minneapolis.

WH 72-17; 2506 Plymouth Avenue North

Lot 13, Block 4, W.H. Lauderdale's Addition to Minneapolis.

WH 72-16; 2510 Plymouth Avenue North

Lot 14, Block 4, W.H. Lauderdale's Addition to Minneapolis.

TF-779; 2426 Plymouth Avenue North

The West 44 feet of Lot 17, Block 6, South Lawn Addition to Minneapolis.

Whereas, the Redeveloper has offered to pay the sum of \$2,407 for Parcel WH 72-18; \$2,223 for Parcel WH 72-17; \$2,223 for Parcel WH 72-16, and \$2,581 for Parcel TF-779 to the City for the land, and the Redeveloper's proposal is in accordance with the applicable Redevelopment Plan and/or Program; and

Whereas, the Redeveloper has submitted to the City a statement of financial responsibility and qualifications; 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 accepted methods in aiding the City in determining a re-use value for the Parcels; and

Whereas, pursuant to due notice thereof published in *Finance and Commerce* on June 7, 2013, a public hearing on the proposed sale was duly held on June 18, 2013, at the regularly scheduled Community Development Committee meeting of the City Council, 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;

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

That the re-use value for uses in accordance with the Green Homes North Program plan, as amended, is hereby estimated to be the sum of \$2,407 for Parcel WH 72-18; \$2,223 for Parcel WH 72-17; \$2,223 for Parcel WH 72-16, and \$2,581 for Parcel TF-779.

Be It Further Resolved that the acceptance of the offer and proposal is hereby determined to be in accordance with the City's approved disposition policy and it is further determined that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the parcel in accordance with the Redevelopment Plan and/or Program.

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 Green Homes North Program  
Disposition Parcels 2N143, 2N149, 2N002 and 2N014.**

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase and develop Disposition Parcels 2N143, 2N149, 2N002 and 2N014, in the Camden, Folwell and Willard Hay neighborhoods, from Greater Metropolitan Housing Corporation, hereinafter known as the Redeveloper, the Parcels 2N143, 2N149, 2N002 and 2N014 being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

LEGAL DESCRIPTION

2N143: 3963 Colfax Avenue North

Lot 1, Block 2, Cataract Addition to Minneapolis.

2N149: 3830 Colfax Avenue North

Lot 23, Block 1, Nichols-Frissell Company's McKinley Place Addition to Minneapolis.

2N002: 3319 Fremont Avenue North

Lot 9, Block 3, "Silver Lake Addition" to Minneapolis.

2N014: 1317 Sheridan Avenue North

Lot 10, Block 4, W.H. Lauderdale's Addition.

Whereas, the Redeveloper has offered to pay the sum of \$3,541 for Parcel 2N143; \$3,875 for Parcel 2N149; \$2,860 for Parcel 2N002 and \$2,848 for Parcel 2N014 to the City for the land, and the City's proposal is in accordance with the applicable Redevelopment Plan and/or Program; and

Whereas, the Redeveloper has submitted to the City a statement of financial responsibility and qualifications; 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 accepted methods of aiding the City in determining a re-use value for the Parcel; and

Whereas, pursuant to due notice thereof published in *Finance and Commerce* on June 7, 2013, a public hearing on the proposed sale was duly held on June 18, 2013, at the regularly scheduled Community Development Committee meeting of the City Council, at the Minneapolis City Hall, 350 South 5th Street, Room 317, at 9:30 a.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 uses in accordance with the Green Homes North Program plan, as amended, is hereby estimated to be the sum of \$3,541 for Parcel 2N143; \$3,875 for Parcel 2N149; \$2,860 for Parcel 2N002 and \$2,848 for Parcel 2N014.

Be It Further Resolved that the acceptance of the offer and proposal is hereby determined to be in accordance with the City's approved disposition policy and it is further determined that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the parcel in accordance with the Redevelopment Plan and/or Program.

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 Green Homes North Program  
Disposition Parcels VH-350, VH-386 and VH-213.**

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase and develop Disposition Parcels VH-350, VH-386 and VH-213, in the Hawthorne neighborhood, from PPL Homes LLC, hereinafter known as the Redeveloper, the Parcels VH-350, VH-386 and VH-213 being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

LEGAL DESCRIPTION

VH-350; 3018 4<sup>th</sup> Street North

Lot 11, Block 11, Morrison's Addition to North Minneapolis.

VH-386; 3020 4<sup>th</sup> Street North

Parcel 1

The South 27 feet of the West 125 feet of Lot 12, Block 11, except that part, if any, that falls within the North 28 feet of the West 125 feet of Lot 12, Block 11, Morrison's Addition to North Minneapolis.

Parcel 2

North 28 feet of the West 125 feet of Lot 12, Block 11, Morrison's Addition to North Minneapolis.

VH-213; 329 31<sup>st</sup> Avenue North

The West 40 feet of Lots 13 and 14, Block 11, Morrison's Addition to North Minneapolis.

Whereas, the Redeveloper has offered to pay the sum of \$4,540 for Parcel VH-350; \$3,440 for Parcel VH-386 and \$2,200 for Parcel VH-213 to the City for the land, and the Redeveloper's proposal is in accordance with the applicable Redevelopment Plan and/or Program; and

Whereas, the Redeveloper has submitted to the City a statement of financial responsibility and qualifications; 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 accepted methods in aiding the City in determining a re-use value for the Parcel; and

Whereas, pursuant to due notice thereof published in *Finance and Commerce* on June 7, 2013, a public hearing on the proposed sale was duly held on June 18, 2013, at the regularly scheduled Community Development Committee meeting of the City Council, 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;

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

That the re-use value for uses in accordance with the Green Homes North Program plan, as amended, is hereby estimated to be the sum of \$4,540 for Parcel VH-350; \$3,440 for Parcel VH-386 and \$2,200 for Parcel VH-213.

Be It Further Resolved that the acceptance of the offer and proposal is hereby determined to be in accordance with the City's approved disposition policy and it is further determined that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the parcel in accordance with the Redevelopment Plan and/or Program.

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 Green Homes North Program  
Disposition Parcels 2N096 and 3L021.**

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase and develop Disposition Parcels 2N096 and 3L021, in the Harrison and Jordan neighborhoods, from PRG, Inc., hereinafter known as the Redeveloper, the Parcels 2N096 and 3L021 being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

LEGAL DESCRIPTION

2N096; 2025 3<sup>rd</sup> Avenue North  
Lot 3, Block 2, "Mason's Addition to Minneapolis".

3L021; 2611 James Avenue North

Parcel 1

The East 2/3 of Lot 5, Block 1, "On The Heights, an Addition to Minneapolis"

Parcel 2

The West 1/3 of Lot 5, Block 1, "On The Heights, an Addition to Minneapolis"

Whereas, the Redeveloper has offered to pay the sum of \$1,900 for Parcel 2N096 and \$2,721 for Parcel 3L021 to the City for the land, and the Redeveloper's proposal is in accordance with the applicable Redevelopment Plan and/or Program; and

Whereas, the Redeveloper has submitted to the City a statement of financial responsibility and qualifications; 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 accepted methods in aiding the City in determining a re-use value for the Parcel; and

Whereas, pursuant to due notice thereof published in *Finance and Commerce* on June 7, 2013, a public hearing on the proposed sale was duly held on June 18, 2013, at the regularly scheduled Community Development Committee meeting of the City Council, 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;

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

That the re-use value for uses in accordance with the Green Homes North Program plan, as amended, is hereby estimated to be the sum of \$1,900 for Parcel 2N096 and \$2,721 for Parcel 3L021.

Be It Further Resolved that the acceptance of the offer and proposal is hereby determined to be in accordance with the City's approved disposition policy and it is further determined that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the parcel in accordance with the Redevelopment Plan and/or Program.

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 Green Homes North Program  
Disposition Parcels No VH-411 and 2N003.**

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase and develop Disposition Parcels WH-411 and 2N003, in the in the Victory neighborhood, from Peyser LLC hereinafter known as the Redeveloper, the Parcels VH-411 and 2N003 being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

LEGAL DESCRIPTION

VH-411; 4150 Upton Avenue North

Lot 16, Block 1, Thorpe Bros. Grand Round Boulevard Addition to Minneapolis.

2N003; 3858 Sheridan Avenue North

Lot 18, and the North ½ of Lot 17, Block 18, Thorpe Bros. William Penn Addition to Minneapolis.

Whereas, the Redeveloper has offered to pay the sum of \$3,800 for Parcel VH-411 and \$6,042 for Parcel 2N003 to the City for the land, and the Redeveloper's proposal is in accordance with the applicable Redevelopment Plan and/or Program; and

Whereas, the Redeveloper has submitted to the City a statement of financial responsibility and qualifications; 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 accepted methods in aiding the City in determining a re-use value for the Parcels; and

Whereas, pursuant to due notice thereof published in *Finance and Commerce* on June 7, 2013, a public hearing on the proposed sale was duly held on June 18, 2013, at the regularly scheduled Community Development Committee meeting of the City Council, 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;

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

That the re-use value for uses in accordance with the Green Homes North Program plan, as amended, is hereby estimated to be the sum of \$3,800 for Parcel VH-411, and \$6,042 for Parcel 2N003.

Be It Further Resolved that the acceptance of the offer and proposal is hereby determined to be in accordance with the City's approved disposition policy and it is further determined that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the parcel in accordance with the Redevelopment Plan and/or Program.

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.

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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 5

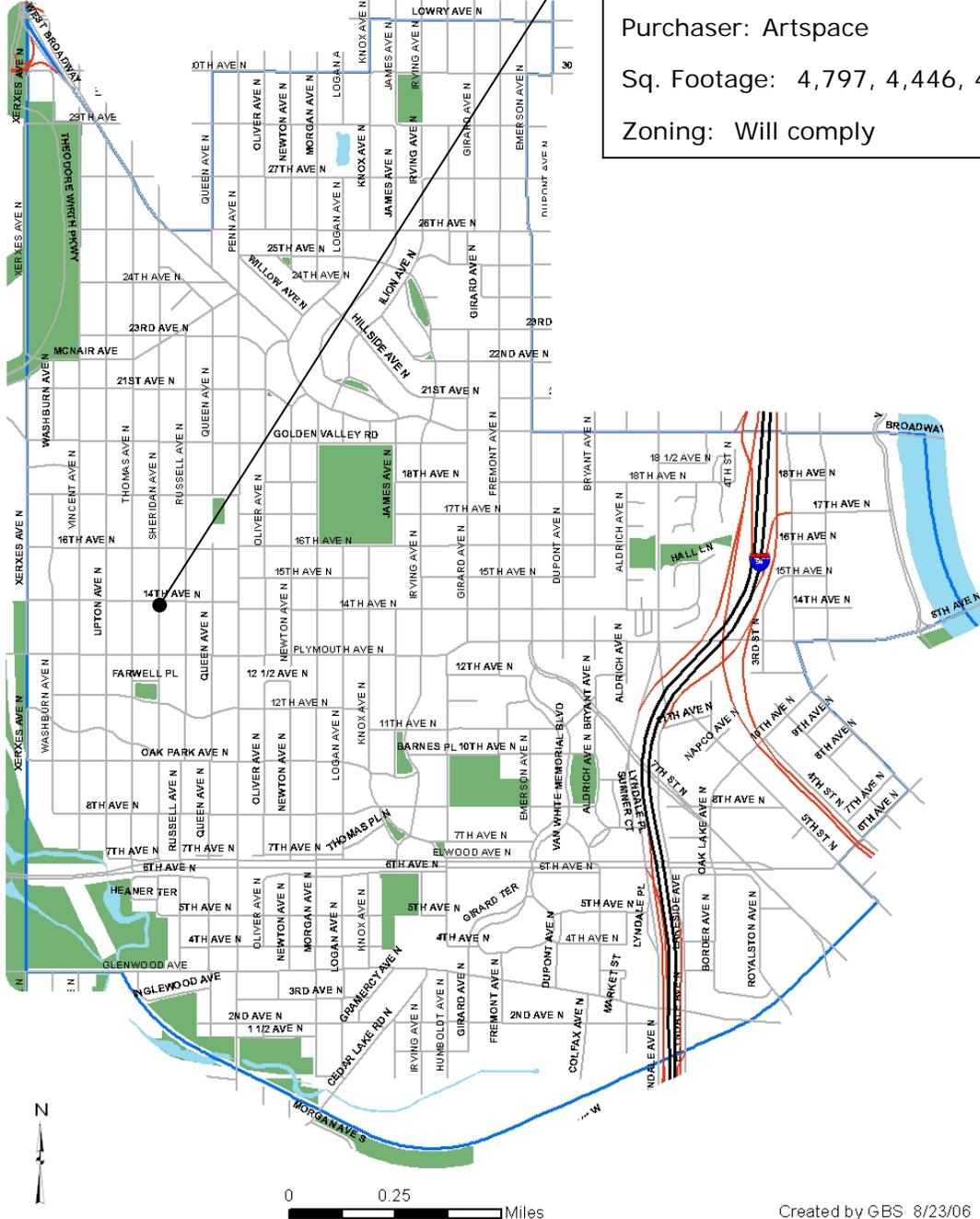
Address: 2500, 2506, 2510 & 2426  
Plymouth Av N,

Parcel: WH 72-18, WH 72-17, WH 72-16 &  
TF-779

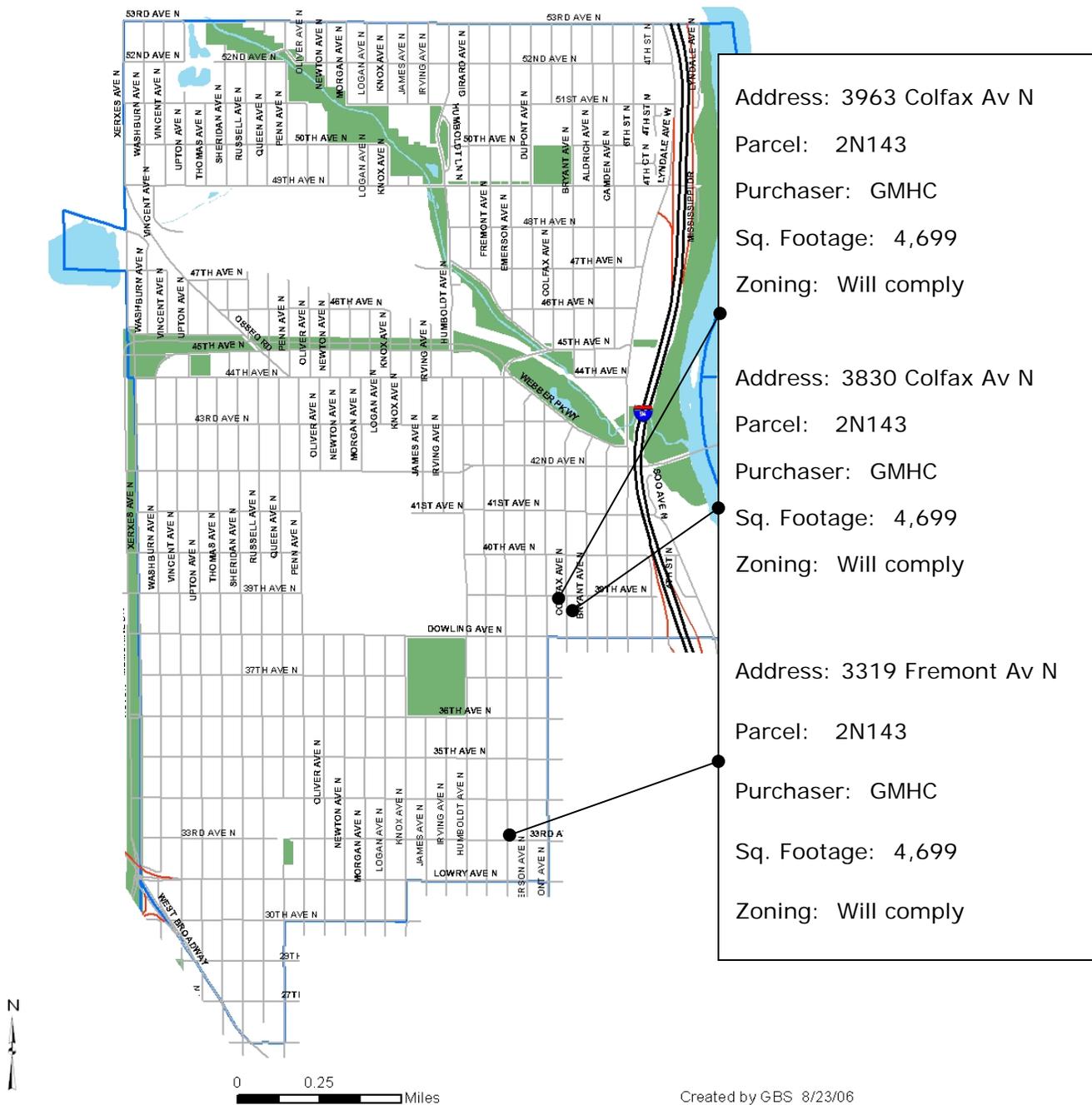
Purchaser: Artspace

Sq. Footage: 4,797, 4,446, 4,446 & 5,148

Zoning: Will comply



# WARD 4



Address: 3963 Colfax Av N

Parcel: 2N143

Purchaser: GMHC

Sq. Footage: 4,699

Zoning: Will comply

Address: 3830 Colfax Av N

Parcel: 2N143

Purchaser: GMHC

Sq. Footage: 4,699

Zoning: Will comply

Address: 3319 Fremont Av N

Parcel: 2N143

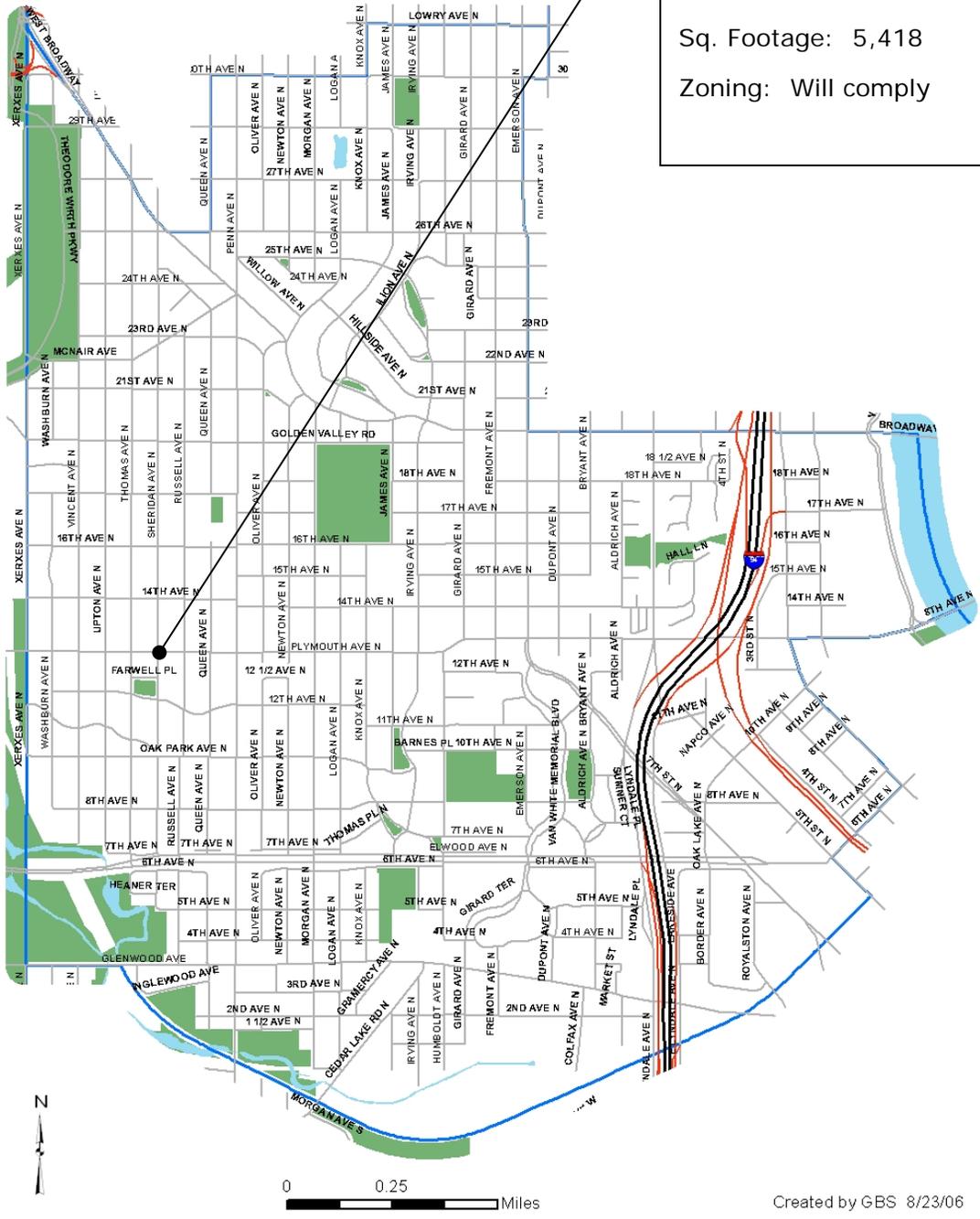
Purchaser: GMHC

Sq. Footage: 4,699

Zoning: Will comply

# WARD 5

Address: 1317 Sheridan Av N  
Parcel: 2N014  
Purchaser: GMHC  
Sq. Footage: 5,418  
Zoning: Will comply



# WARD 5

Address: 2611 James Av N

Parcel: 3L021

Purchaser: PRG

Sq. Footage: 5,418

Zoning: Will comply

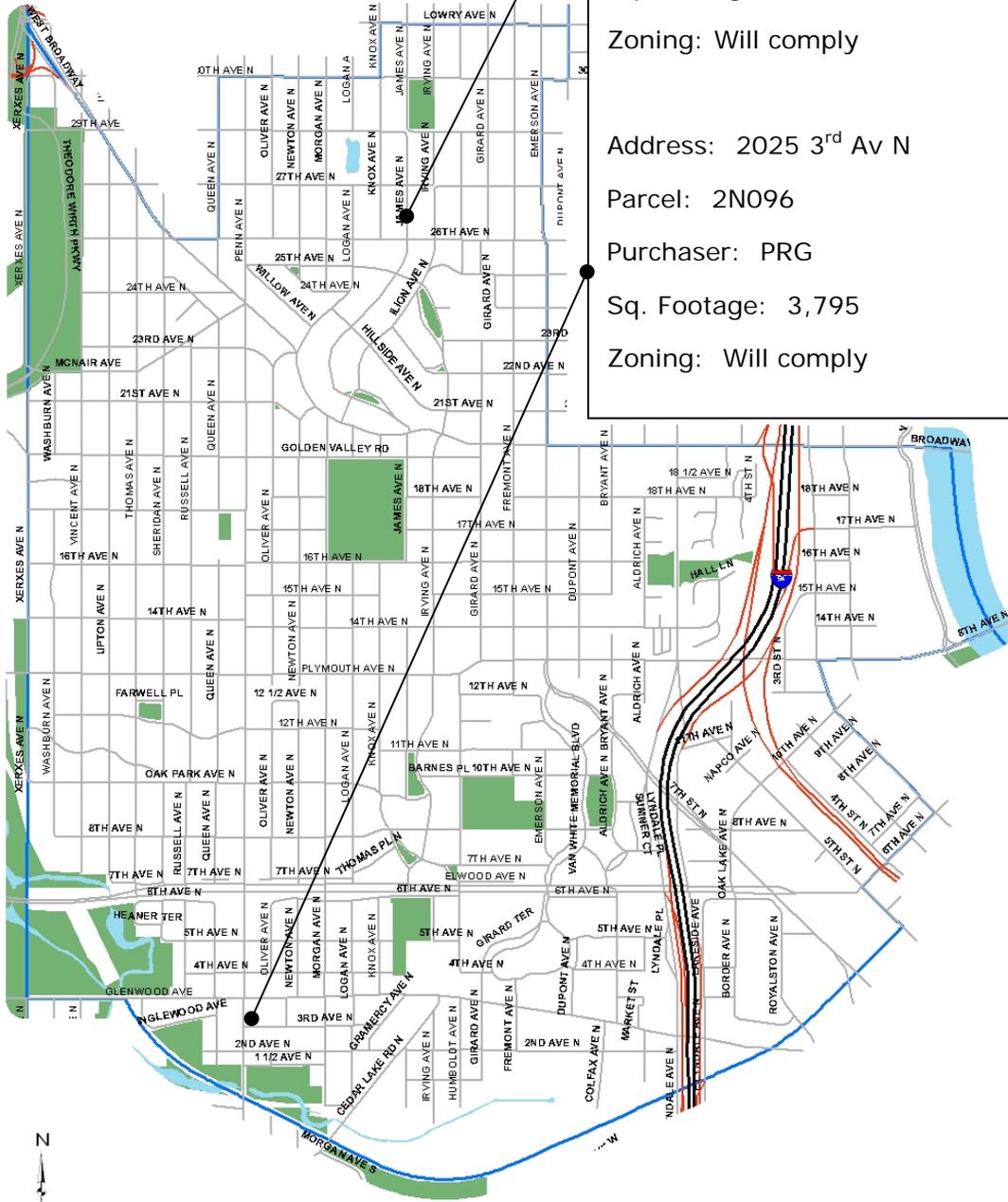
Address: 2025 3<sup>rd</sup> Av N

Parcel: 2N096

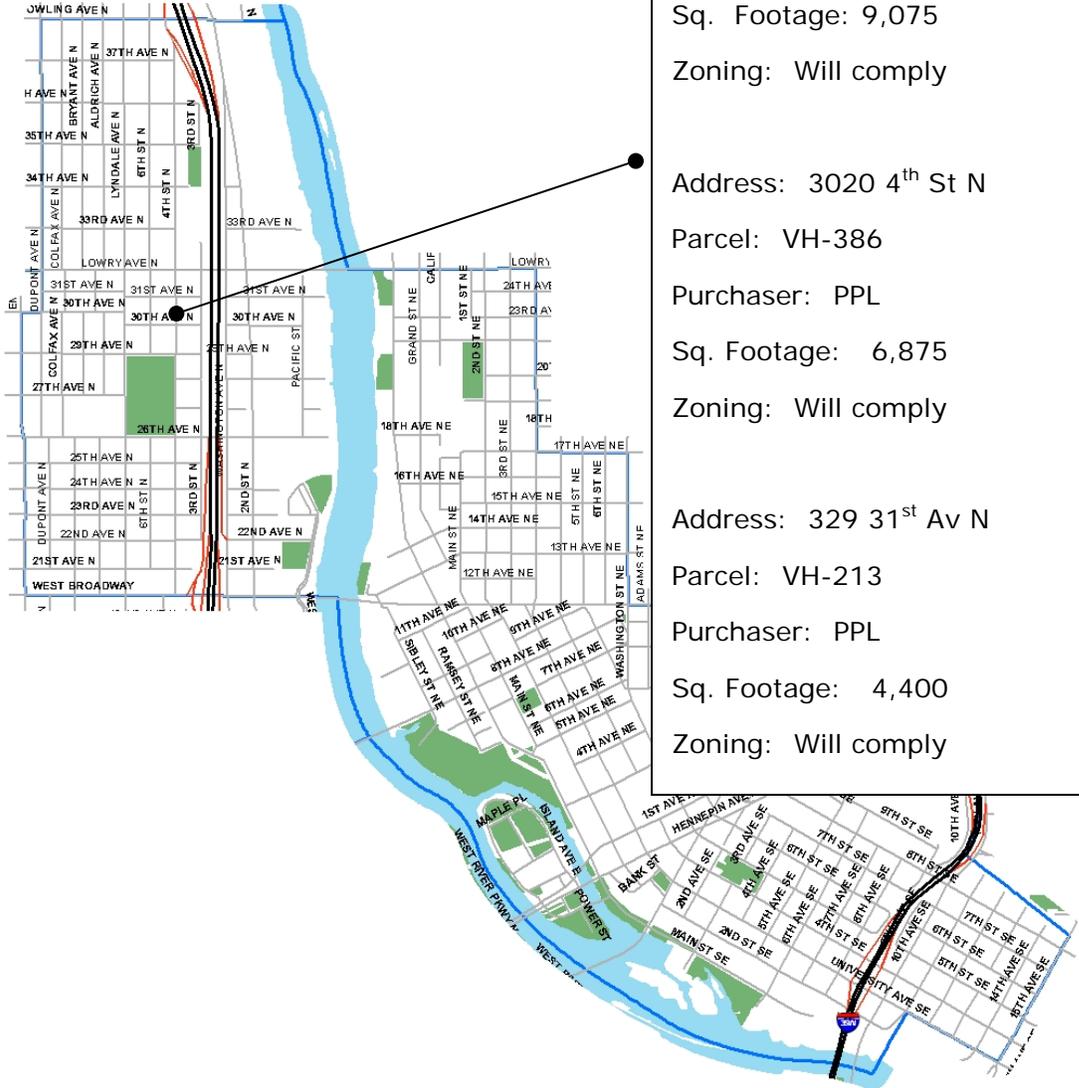
Purchaser: PRG

Sq. Footage: 3,795

Zoning: Will comply



# WARD 3



Address: 3018 4<sup>th</sup> St N

Parcel: VH-350

Purchaser: PPL

Sq. Footage: 9,075

Zoning: Will comply

Address: 3020 4<sup>th</sup> St N

Parcel: VH-386

Purchaser: PPL

Sq. Footage: 6,875

Zoning: Will comply

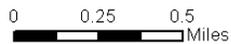
Address: 329 31<sup>st</sup> Av N

Parcel: VH-213

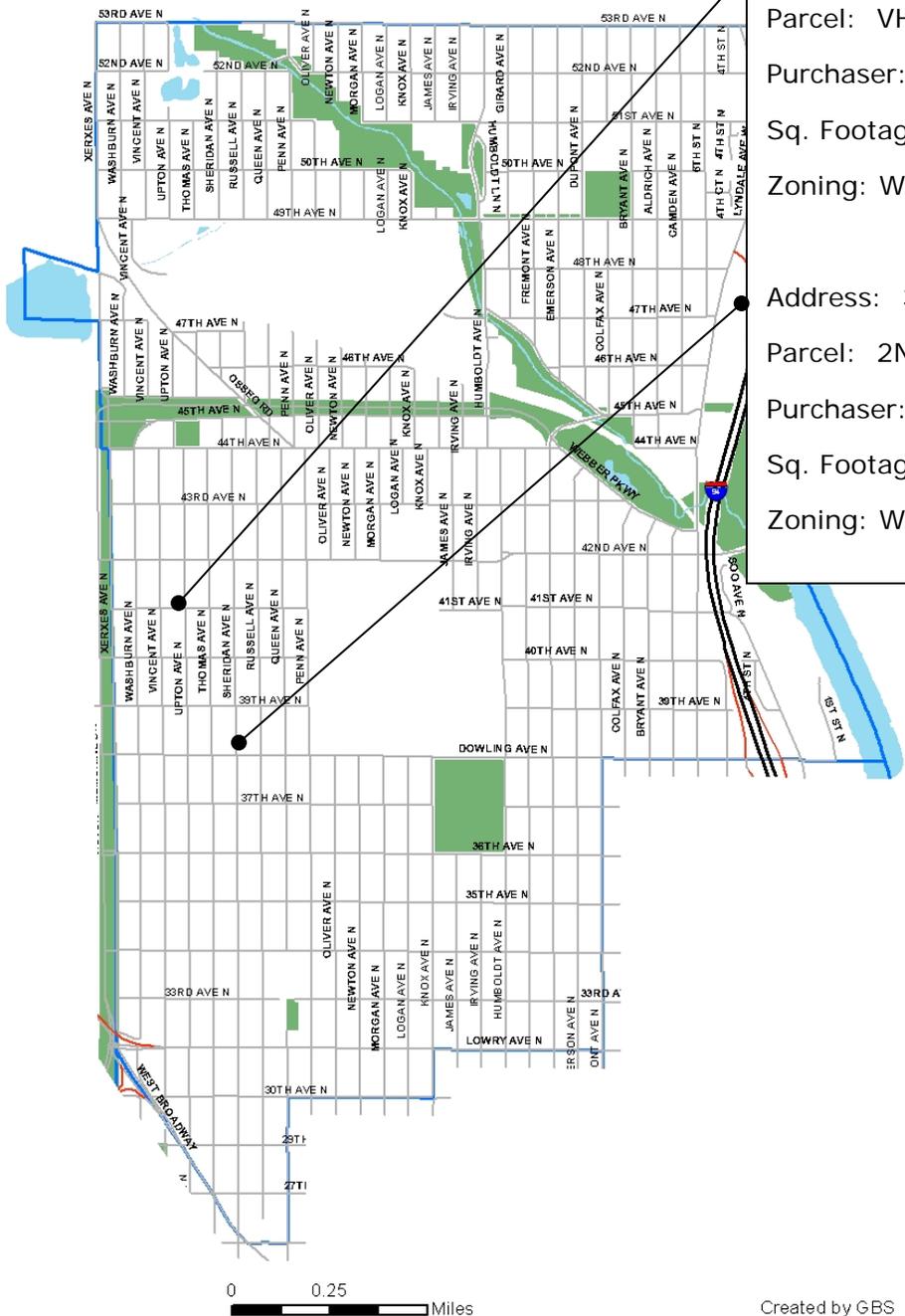
Purchaser: PPL

Sq. Footage: 4,400

Zoning: Will comply



# WARD 4



Address: 4150 Upton Av N  
 Parcel: VH-411  
 Purchaser: Peyser  
 Sq. Footage: 5,080  
 Zoning: Will comply

Address: 3858 Sheridan Av N  
 Parcel: 2N003  
 Purchaser: Peyser  
 Sq. Footage: 8,064  
 Zoning: Will comply

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

Date: June 18, 2013  
 Subject: Land Sale – Public Hearing  
 GHN Program  
 Address: 2500 Plymouth AVE N  
 2506 Plymouth AVE N  
 2510 Plymouth AVE N  
 2426 Plymouth AVE N  
 Purchaser: Artspace Projects, Inc.

	A	B	C	D	E	F	G
Address	Purchase Price	Acquisition/ Demolition/ Other Costs	Total CPED Cost to Assemble (A+B)	Re-Use Value Opinion	Sale Price	CPED Cost Write-Off (E-C)	Re-Use Value Write Down (E-D)
2500 Plymouth A/N	\$18,000.00	\$1,892.00	\$19,892.00	\$2,407.00	\$2,407.00	(\$17,485.00)	\$0.00
2506 Plymouth A/N	\$8,000.00	\$7,383.00	\$15,383.00	\$2,223.00	\$2,223.00	(\$13,160.00)	\$0.00
2510 Plymouth A/N	\$1.00	\$6,304.00	\$6,305.00	\$2,223.00	\$2,223.00	(\$4,082.00)	\$0.00
2426 Plymouth A/N	\$3,000.00	\$1,892.00	\$4,892.00	\$2,581.00	\$2,581.00	(\$2,311.00)	\$0.00
<b>Total</b>	<b>\$29,001.00</b>	<b>\$17,471.00</b>	<b>\$46,472.00</b>	<b>\$9,434.00</b>	<b>\$9,434.00</b>	<b>(\$37,038.00)</b>	<b>\$0.00</b>

Write-Down  
 Reason: N/A

Developer History with CPED:

Artspace owns 10 projects in Minnesota, four in Minneapolis including:

- Jackson Flats—1939 Jackson St NE
  - 35 live/work units as well as commercial space
- The Cowles Center for Dance—528 Hennepin Ave
  - 2 theaters, 10 dance studios, and space for 20 other non-profits
- Grain Belt Studios—77 & 79 13<sup>th</sup> Ave NE
  - 49 artist work studios
- Traffic Zone
  - 23 working studios as well as housing Artspace's main office and additional commercial space.

Developer Information:

Nonprofit Corporation of the State of Minnesota

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

Date: June 18, 2013  
 Subject: Land Sale – Public Hearing  
 GHN Program  
 Address: 3963 Colfax AVE N  
 3830 Colfax AVE N  
 3319 Fremont AVE N  
 1317 Sheridan AVE N  
 Purchaser: Greater Metropolitan Housing Corporation

	A	B	C	D	E	F	G
Address	Purchase Price	Acquisition/ Demolition/ Other Costs	Total CPED Cost to Assemble (A+B)	Re-Use Value Opinion	Sale Price	CPED Cost Write-Off (E-C)	Re-Use Value Write Down (E-D)
3963 Colfax A/N	\$1.00	\$16,494.00	\$16,495.00	\$3,541.00	\$3,541.00	(\$12,954.00)	\$0.00
3830 Colfax A/N	\$1.00	\$18,234.00	\$18,235.00	\$3,875.00	\$3,875.00	(\$14,360.00)	\$0.00
3319 Fremont A/N	\$27,700.00	\$13,678.00	\$41,378.00	\$2,860.00	\$2,860.00	(\$38,518.00)	\$0.00
1317 Sheridan A/N	\$19,000.00	\$16,630.00	\$35,630.00	\$2,848.00	\$2,848.00	(\$32,782.00)	\$0.00
<b>Total</b>	<b>\$46,702.00</b>	<b>\$65,036.00</b>	<b>\$111,738.00</b>	<b>\$13,124.00</b>	<b>\$13,124.00</b>	<b>(\$98,614.00)</b>	<b>\$0.00</b>

Write-Down  
 Reason: N/A

Developer History with CPED:  
 The City has successfully worked in partnership with Greater Metropolitan Housing Corporation related to development of affordable rental and ownership housing for over 25 years.

Developer Information:  
 Nonprofit Corporation of the State of Minnesota

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

Date: June 18, 2013  
 Subject: Land Sale – Public Hearing  
 GHN Program  
 Address: 3018 4TH ST N  
 3020 4TH ST N  
 329 31st AVE N  
 Purchaser: PPL Homes, LLC

	A	B	C	D	E	F	G
Address	Purchase Price	Acquisition/ Demolition/ Other Costs	Total CPED Cost to Assemble (A+B)	Re-Use Value Opinion	Sale Price	CPED Cost Write-Off (E-C)	Re-Use Value Write Down (E-D)
3018 4th ST N	\$18,000.00	\$13,519.00	\$31,519.00	\$4,540.00	\$4,540.00	(\$26,979.00)	\$0.00
3020 4th ST N	\$1,600.00	\$30,924.00	\$32,524.00	\$3,440.00	\$3,440.00	(\$29,084.00)	\$0.00
329 31st A/N	\$11,250.00	\$304.00	\$11,554.00	\$2,200.00	\$2,200.00	(\$9,354.00)	\$0.00
<b>Total</b>	<b>\$30,850.00</b>	<b>\$44,747.00</b>	<b>\$75,597.00</b>	<b>\$10,180.00</b>	<b>\$10,180.00</b>	<b>(\$65,417.00)</b>	<b>\$0.00</b>

Write-Down  
 Reason: N/A

Developer History with CPED:  
 The City has successfully worked in partnership with PPL Homes, LLC a subsidiary of Project for Pride in Living related to development of affordable rental and ownership housing for many years.

Developer Information:  
 Limited Liability Company of the State of Minnesota

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

Date: June 18, 2013  
 Subject: Land Sale – Public Hearing  
 GHN Program  
 Address: 2025 3RD AVE N  
 2611 James AVE N  
 Purchaser: PRG, Inc.

	A	B	C	D	E	F	G
Address	Purchase Price	Acquisition/ Demolition/ Other Costs	Total CPED Cost to Assemble (A+B)	Re-Use Value Opinion	Sale Price	CPED Cost Write-Off (E-C)	Re-Use Value Write Down (E-D)
2025 3rd A/N	\$22,716.00	\$22,877.00	\$45,593.00	\$1,900.00	\$1,900.00	(\$43,693.00)	\$0.00
2611 James A/N	\$1.00	\$18,992.00	\$18,993.00	\$2,721.00	\$2,721.00	(\$16,272.00)	\$0.00
<b>Total</b>	<b>\$22,717.00</b>	<b>\$41,869.00</b>	<b>\$64,586.00</b>	<b>\$4,621.00</b>	<b>\$4,621.00</b>	<b>(\$59,965.00)</b>	<b>\$0.00</b>

Write-Down  
 Reason: N/A

Developer History with CPED:  
 The City has successfully worked in partnership with PRG related to development of affordable ownership housing for many years.

Developer Information:  
 Nonprofit Corporation of the State of Minnesota

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

Date: June 18, 2013  
 Subject: Land Sale – Public Hearing  
 GHN Program  
 Address: 4150 Upton AVE N  
 3858 Sheridan AVE N  
 Purchaser: Peyser, LLC

	A	B	C	D	E	F	G
Address	Purchase Price	Acquisition/ Demolition/ Other Costs	Total CPED Cost to Assemble (A+B)	Re-Use Value Opinion	Sale Price	CPED Cost Write-Off (E-C)	Re-Use Value Write Down (E-D)
4150 Upton A/N	\$5,000.00	\$13,443.00	\$18,443.00	\$3,800.00	\$3,800.00	(\$14,643.00)	\$0.00
3858 Sheridan A/N	\$24,750.00	\$17,550.00	\$42,300.00	\$6,042.00	\$6,042.00	(\$36,258.00)	\$0.00
<b>Total</b>	<b>\$29,750.00</b>	<b>\$30,993.00</b>	<b>\$60,743.00</b>	<b>\$9,842.00</b>	<b>\$9,842.00</b>	<b>(\$50,901.00)</b>	<b>\$0.00</b>

Write-Down  
 Reason: N/A

Developer History with CPED:  
 Peyser, LLC is a private for-profit corporation founded by architect Jay Isenberg who participated in the "Rebuilding It Right" program after the May 2011 North Minneapolis Tornado.

Developer Information:  
 Limited Liability Company of the State of Minnesota