



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

Date: January 28, 2014

To: Council Member Lisa Goodman, Chair, Community Development & Regulatory Services Committee

Subject: Land Sale Public Hearing
Vacant Housing

Recommendation: Approve the sale of 1829 Newton Ave N to Jacqueline F. Clark for \$1,000, subject to the following conditions; 1) land sale closing must occur no later than April 15, 2014, and 2) payment of holding costs of \$300.00 per month 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: CPED acquired 1829 Newton Ave N on March 24, 2000. On November 5, 2010, the City Council approved the sale of this land for \$1,000 but that buyer did not complete the purchase.

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 _____

Presenter(s) in Committee: Rebecca Law, Project Manager

Financial Impact

- Action is within the Business Plan
- Request provided to the Finance Department
- Elimination of future property management costs estimated at \$3,600 per year.
- Proposed Total CPED Land Assembly Costs Write-off: \$ 5,001
- Proposed Sales Price Write-down from Re-Use Value Appraisal: \$ 0.00

Community Impact

- Neighborhood Notification: Willard-Hay reviewed this proposal and recommended it be approved.
- City Goals: A SAFE PLACE TO CALL HOME People and businesses thrive in a safe and secure city.
- Comprehensive Plan: On May 12, 2008, the Planning Commission approved the sale of this parcel as being consistent with the Comprehensive Plan.

- Zoning Code: R1A
- Living Wage/Business Subsidy Agreement Yes_____ No x
- Job Linkage Yes_____ No x
- Other: On March 24, 2008, 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>
TF-529	1829 Newton Ave N	\$1,000

PURCHASER

Jacqueline F. Clark
2005 Golden Valley Road, Minneapolis, MN 55411

PROPOSED DEVELOPMENT:

This parcel will be combined with the adjacent parcel at 1833 Newton Ave N. This will reunite the original platted lot and make its size similar to the surrounding residential lots.

The lot size is 43' x 45.4' = 1,952 total square feet.

LAND DISPOSITION POLICY:

This property is a buildable but very small parcel. It fits within an exception to the Real Estate Policy that allows it to be sold as sideyard. Specifically, it falls within the Section 2.2.13 C(i) exception: the shape of the "buildable lot" is irregular and not suitable for housing construction. A conservation easement will be placed on the 1829 Newton Ave N parcel upon its sale.

OFFERING PROCEDURE:

Sale to the Adjacent Owner. The sales price of this property does reflect the full re-use value.

COMMENTS:

Jacqueline Clark owns the adjacent land at 1833 Newton Ave N and 2005 Golden Valley Road. Her house is on the Golden Valley Road parcel and the 1833 Newton parcel is vacant land. Taxes are current on both parcels. Ms. Clark wants to buy the City's land at 1829 Newton Ave N and combine it with the 1833 Newton parcel. The combined land would then serve as sideyard for the 2005 Golden Valley Road house.

Authorizing sale of land Disposition Parcel TF-529.

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase Disposition Parcel TF-529 in the Willard - Hay Neighborhood from Jacqueline F. Clark, hereinafter known as the Purchaser, Parcel TF-529 being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

Legal Description

TF-529; 1829 Newton Avenue North

South 43 feet of Lot 1, Block 1, Menard's First Addition to Minneapolis

Whereas, the Purchaser has offered to pay the sum of \$1,000 for Parcel TF-529 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 \$1,000 to purchase Parcel TF-529 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 Parcel TF-529; 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 17, 2014, a public hearing on said proposal and proposed sale and the provisions thereof, was duly held on January 28, 2014, 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 TF-529 is hereby estimated to be the sum of \$1,000.

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.

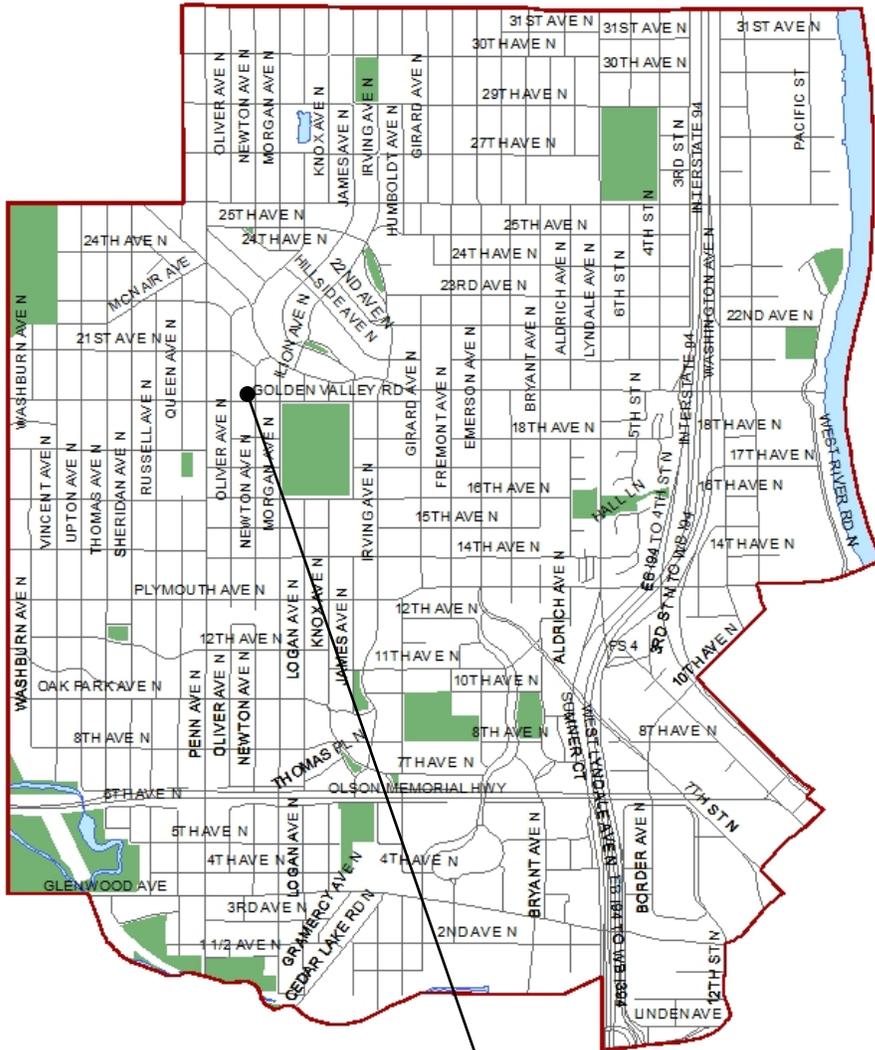
Be It Further Resolved that the proposal be and the same is hereby accepted, subject to the execution of a contract for the sale of land and further subject to the following conditions; 1) land sale closing must no later than April 15, 2014 and 2) payment of holding costs of \$300.00 per month (or portion 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 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 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.

Ward 5



Address: 1829 Newton Ave N



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

Date: January 28, 2014
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 Vacant Housing
 Address: 1829 Newton Ave N
 Purchaser: Jacqueline F. Clark

	A	B	C	D	E	F	G
Address	Purchase Price	Acquisition/ Demolition/ Other Costs	Total CPED Cost to Assemble	Re-Use Value Opinion	Sale Price	CPED Cost Write-Off	Re-Use Value Write Down
			(A+B)			(E-C)	(E-D)
1829 Newton Ave N	\$1	\$6,000	\$6,001	\$1,000	\$1,000	(\$5,001)	\$0
Total	\$1	\$6,000	\$6,001	\$1,000	\$1,000	(\$5,001)	\$0

Write-Down
 Reason: Not Applicable

Developer History with CPED:
 None

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