

### 1. Purpose

The Vacant Housing Recycling Program facilitates blight removal, responsible development, and healthy housing markets in Minneapolis neighborhoods through acquisition and sale of residential vacant structures and lots.

### 2. Objectives

Program objectives are aligned with three City of Minneapolis goals:

- **Living Well:** Create safe and healthy homes.
- **One Minneapolis:** Reduce disparities and ensure equal access to housing opportunity.
- **Great Places:** Return vacant lots and vacant structures to productive use.

### 3. Eligibility Criteria

To apply for a property owned by the City of Minneapolis and advertised for sale through the Vacant Housing Recycling Program, purchasers must demonstrate:

- **Experience:** Either the purchaser or its general contractor must have successfully completed a similar project within the last two years.
- **Responsibility:** Neither the purchaser nor their general contractor can own property that is a registered vacant building on the [City of Minneapolis 249 list](#), tax delinquent property, or property with significant code violations, unless the property is currently in the process of being rehabilitated in compliance with a restoration agreement or has a similar solution that is actively being implemented. Neither the purchaser nor their general contractor may have a history within the past five years of defaulting on a City of Minneapolis restoration agreement and/or redevelopment contract to rehabilitate or construct a property.
- **Financial Capacity:** Purchasers must demonstrate an ability to pay for the improvements proposed that are in compliance with CPED's Rehabilitation Standards (see Appendix A). Acceptable documentation includes, but is not limited to:
  - Loan financing: provide conditional commitment letter that includes name and contact of loan officer, rate, terms, and amount financed.
  - Cash: provide evidence of available cash dated within 30 days.
  - Sale Proceeds: it is acceptable for the Purchaser to finance a project with proceeds from a pending sale of another property. Purchaser must provide a net sheet from a realtor documenting anticipated proceeds and closing date.
- **Plan for Occupancy:** Purchaser must describe end use for the property—owner occupancy by the purchaser, a marketing strategy for properties offered for sale or a leasing strategy.

## 4. Program Requirements

Purchasers must agree to perform according to program requirements:

**Timeline:** Application for permits shall be within 30 days of closing on the property and construction shall be complete within 12 months of closing on the property.

**Good Faith Deposit:** If selected, all purchasers are required to provide a good faith deposit, equal to the greater of 10% of the sales price or \$2,000. The good faith deposit is in addition to the purchase price for the property and will be refunded upon successful completion of the project.

**Insurance:** Purchasers are required to provide the following insurance, unless requirements in the subsequent section regarding alternate insurance are met. Individuals submitting an offer to purchase may request their general contractor to provide insurance in the amounts listed.

- **Builder's Risk Insurance** in an amount equal to 100% of the insurable value of the Minimum Improvements (rehabilitation or new construction costs) as supported by an after improved appraisal.
- **Commercial General Liability Insurance** along with an ISO Form B Additional Insured endorsement or Owner/Contractor Policy naming the City of Minneapolis as an additional insured. Limits against bodily injury and property damage are required at \$1,000,000 for each occurrence with an aggregate limit of \$1,000,000.
- **Worker's Compensation Insurance**, with statutory coverage.

**Alternative Insurance for "Owner-Occupied" Purchasers:** A homeowner's policy that names the City of Minneapolis as an additional insured is permissible in certain circumstances and at the discretion of the City of Minneapolis as insurance during the construction period. Alternative insurance will be considered when:

- A vacant property that is not condemned and is possible to immediately occupy upon closing.
- The applicant is a Purchaser Occupant or Relative Homesteader who intends to live in the property as their primary home.
- The homeowner's policy is in the amount of the property's full replacement value after rehabilitation.

**Rehabilitation standards for vacant structures:** All offers for vacant structures must complete rehab of the property to meet CPED's Rehabilitation Standards, see Appendix A.

**Additional Regulations:** The City of Minneapolis has additional requirements for rehab of vacant buildings or construction of new homes on vacant lots. Purchasers are required to fully research the permit, vacant building registration fees, and design and/or zoning requirements that may apply to their proposed project. Resources include:

- [City of Minneapolis Vacant Building Registration Program](#)
- [City of Minneapolis Permit Requirements](#)
- [City of Minneapolis New One- or Two-Family Home Construction Process Guide](#)

## 5. Selection Process

Offers will be evaluated through a two-step process:

**Step 1:** Offers will be reviewed to determine if the eligibility criteria are met, as described in Section 3.

**Step 2:** If there are multiple proposals that meet eligibility criteria, staff will evaluate proposals based on the following criteria and select the strongest proposal:

- Purchaser's or general contractor's construction experience
- Financial capacity
- Scope of work/rehab plan or new construction plans and specifications
- Plan for occupancy, owner occupancy preferred
- Subsidy need from City of Minneapolis programs

## 6. Administration

### Acquiring Properties

The Department of Community Planning and Economic Development (CPED) will acquire properties by purchase through Hennepin County's tax forfeiture process, donation, or negotiated sale with owners. Properties acquired through this program shall be vacant structures or lots that meet one of the following requirements:

- Property is in a Redevelopment Project Area and property is identified as one that may be acquired
- Blight analysis demonstrating that the Property is "substandard" under Minn. Stat. Sec. 469.012 or is on the City of Minneapolis registered vacant building 249 list because it is a "hazardous building" under Minn. Stat. Sec. 463.15, subd. 3
- Property is necessary to provide housing for persons with low and moderate income
- Acquired from a governmental agency

All property acquisition shall be approved by the CPED Director. Funds for acquisition will be allocated annually through the City of Minneapolis budget process.

### Preparing Properties for Sale

The City of Minneapolis will ensure:

- Properties have marketable title
- Properties will be valued within six months of offering for sale
- Structures are winterized, secured and cleared of all personal items and materials
- Structures will have applicable up-to-date code compliance or truth in sale of housing (TISH) reports

### Posting of Properties for Sale

- Properties will be posted for sale on the [City of Minneapolis' website](#).
- An educational workshop will be hosted annually, or as needed, to educate interested purchasers about the purchase process.

- Open houses for vacant structures will be posted one week prior to the open house occurring and advertised to the applicable neighborhood organizations where the houses are located.
- At the City of Minneapolis' discretion, for sale signs shall be posted at property advertising them for sale.
- To the extent that the City of Minneapolis Real Estate Disposition Policy (Disposition Policy) are not inconsistent with this manual, property marketing and sale will be in accordance with the Disposition Policy, attached as Appendix B.

### **Submitting Offers to Purchase**

Interested purchasers must submit the offers on the City's "Offer to Purchase" form, see Appendix C. Offers for vacant structures will be accepted for a minimum of two weeks after a posted open house occurs. Offers for vacant lots will be accepted for a minimum of two weeks after listing publicly on the City of Minneapolis website. If no offers are received during the initial two week offer period, offers for both structures and vacant lots will be processed on a rolling application period. If an offer is received during a rolling application period, additional complete offers will be accepted for a minimum of five business days.

### **Staff Recommendation**

Upon receipt of an offer, staff will review for eligibility and selection criteria. Incomplete offers that do not meet eligibility requirements will be notified. If all offers for a property are rejected, the property shall be relisted and accept offers as described in the previous section.

### **Neighborhood Review and City Council Approval**

For complete offers, staff will send the rehabilitation scope of work or new construction plans and specifications to the applicable neighborhood organization and provide a 45-day comment period. Staff will review complete offers and make a recommendation, which will be subject to a public hearing and approval by the Minneapolis City Council. Neighborhood comments will be included during the staff presentation at the public hearing. **Offers can only be approved by the Minneapolis City Council by adoption of a resolution authorizing the sale of property.** The City Council can approve a different offer than the staff recommendation or reject all offers received.

### **Selling of Properties and Closing Requirements**

If the sale of property is approved by the City Council, a redevelopment contract will be provided to the approved Purchaser. The redevelopment contract is a binding agreement that includes program requirements, as outlined in Section 4. After the Purchaser returns the signed redevelopment contract to the City, a closing will be scheduled. When the property is sold to the Purchaser, the City of Minneapolis will provide a property deed that includes reversionary rights. Reversionary rights are an interest in the property that allows ownership to return to the City of Minneapolis in the event the Purchaser defaults on the redevelopment contract.

## **Construction and Completion**

Upon certification that permits are closed, CPED staff will conduct a final inspection. The final inspection by CPED staff is a requirement and must be scheduled a minimum of 15 days before the Purchaser sells to a new buyer or occupies the property. When a completion certificate is issued by the assigned CPED Construction Manager, the good faith deposit will be returned to the Purchaser and the reversionary rights in the property deed will be released.

## **Default**

If a project is not completed within 12 months, the City of Minneapolis will have the ability to take any or all of the following actions:

- Retain the good faith deposit paid by Purchaser at closing
- Exercise the City of Minneapolis' reversionary rights outlined in the property deed.

## **Demolition of Structures**

When the City of Minneapolis acquires a structure that has existing Director's Orders to Demolish, it shall proceed with demolition without marketing the structure for sale. Remaining structures shall be marketed as outlined in this program manual. If a structure is marketed for six months with no offers or if requested by the applicable neighborhood organization or elected official, CPED staff shall evaluate demolition as an alternative to rehabilitation.

## **7. Funding**

Properties acquired, prepared for disposition, and sold through this program will be funded through the City of Minneapolis budget process. When feasible, CPED staff will seek to leverage funding through other government, private, and philanthropic sources.

## **8. Monitoring and Reporting**

CPED staff will monitor projects through the construction process to ensure completion and occupancy of the housing unit created by the project. Outcomes of the program will be reported as part of CPED's annual reporting.

## **9. Questions**

Questions regarding the Vacant Housing Recycling Program may be directed to Roxanne Young Kimball at 612-673-2794 or [Roxanne.Kimball@minneapolismn.gov](mailto:Roxanne.Kimball@minneapolismn.gov). Written comments may be mailed to

City of Minneapolis, CPED  
Crown Roller Mill Building  
105 S 5<sup>th</sup> Avenue, Suite 200  
Minneapolis, MN 55403  
Attn: Roxanne Young Kimball

Appendices:

- Appendix A: City of Minneapolis Rehabilitation Standards
- Appendix B: Real Estate Disposition Policy
- Appendix C: Offer to Purchase

**Appendix A:**  
**City of Minneapolis Rehabilitation Standards**



## REHABILITATION STANDARDS & PRELIM REHABILITATION CHECKLIST

Thank you for your interest in purchasing a property from the City of Minneapolis Vacant Housing Recycling Program for rehabilitation. It is important to us that your finished project is an asset to our city.

With this in mind, you will be required to rehabilitate the subject property to comply with the Vacant Housing Recycling Program's rehabilitation standards along with addressing deficiencies outlined in the applicable Truth in Sale of Housing or Code Compliance Report. A CPED Construction Management professional will be assigned to your project to ensure compliance and satisfactory completion of your project.

The City of Minneapolis requires completion of the following standards to receive a Certificate of Completion and release of the Good Faith Deposit. The standards are subject to change as determined by the City of Minneapolis.

**Please fill out the checklist and provide estimates for work you intend to perform at the property.**

**Purchaser Name (Please Print):** \_\_\_\_\_

**Property Address:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Number of Bedrooms:** Existing: \_\_\_\_\_ Proposed: \_\_\_\_\_

**Number of Bathrooms:** Existing: \_\_\_\_\_ Proposed: \_\_\_\_\_

**Intention After Rehabilitation (Check Only One):**     **Occupy**     **Sell**     **Rent**

**Project Description:**

## REHABILITATION STANDARDS & PRELIM REHABILITATION CHECKLIST

### SITE WORK

- Remove existing fences, gaslights, clothes poles or other exterior amenities in deteriorated condition that will not be treated.
- If an existing porch requires repair or replacement, the ground under the porch must be covered with 6 mil poly and durable landscape cover to a depth of 3 inches.
- Remove all foundation growth and volunteer brush, stumps and the roots.
- Provide fill and raise the grade around the foundation to provide positive drainage away from structure. Install durable landscape cover.
- Repair any bare dirt areas and areas damaged during construction, including the boulevard areas.
- Replace broken, uneven, projecting or settled sidewalks, driveways and public walks. Replace public walks per the City of Minneapolis sidewalk standards.

	No Repair	Needs Repair	Replace or Addition	
<b>Outside property</b>				
Lighting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Deck	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Landscaping	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Grade	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Drive way/Parking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Sidewalks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____

### EXTERIOR / ROOF / SIDING

- When the roof is retained and/or repaired, provide materials to match existing and written certification from a licensed professional that the roof (shingles, sheathing, flashing and vents) are functional with a minimum economic life of 10 years remaining.
- When the roof is replaced, all work must be completed to Code.
- Where existing wood siding and trim is retained, replace all damaged, rotten and deteriorated wood prior to applying paint or covering.
- Repair all exterior finishes to match existing.
- Provide a mailbox.
- Provide front and rear address numbers.

	No Repair	Needs Repair	Replace or Addition	
<b>Roof &amp; Siding</b>				
Existing roof	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Existing siding	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Flashing, gutters, downspouts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____

## REHABILITATION STANDARDS & PRELIM REHABILITATION CHECKLIST

### INSULATION

- Insulate accessible rim joist areas as required by Code.
- Insulate attic and attic access and install weather-stripping as required by Code.
- Exposed exterior foundation insulation must be covered as required by Code.

<u>Insulation</u>	No Repair	Needs Repair	Replace or Addition	
Attic insulation & ventilation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Rim joist insulation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____

### WINDOWS & DOORS

- Primary entry doors shall be serviceable, include a locking knob set or dead bolt lock keyed alike.
- Interior doors shall be serviceable with matching hardware installed.
- All storm/screen window units must be functional.
- All windows must be equipped with locks and lifts, adjusted, weather-stripped, and made weather tight.
- Every bedroom must have egress to Code. In most cases this means a new window and opening.

<u>Windows &amp; Doors</u>	No Repair	Needs Repair	Replace or Addition	
Original windows	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Egress window per bedroom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Existing interior and exterior doors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Garage door	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____

### BASEMENT

- Verify floor joists and rim boards are intact on lowest level of structure.
- Basement floors shall be concrete with no tripping hazards or exposed dirt.
- Address all structural concerns.
- Remove all deteriorated mortar, brick, block and spalling material from all perimeter foundation walls. Patch to a smooth uniform condition using matching materials. Apply a uniform finish to all foundation walls.
- Submit a scope of work to address evidence of moisture infiltration, drain tile and sump pump maybe required.

<u>Foundation</u>	No Repair	Needs Repair	Replace or Addition	
Foundation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Moisture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____

## REHABILITATION STANDARDS & PRELIM REHABILITATION CHECKLIST

### INTERIOR & FINISHES

- Repair imperfections and finish all ceilings, walls, trim, closets and any other areas to match surrounding finish, prime and paint, per industry standards.
- All damaged and, or worn floor covering shall be replaced with new or match existing if the entire flooring is not removed, per industry standards.
- When replacing , provide and install new matching wood work in same species, style, and color.

<b>Interior &amp; Finishes</b>	No Repair	Needs Repair	Replace or Addition	
<b><i>Home layout, extensions and additions</i></b>				
Existing floor plan & wall placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Drywall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Attic conversion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Basement finishing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
<b><i>General (outside of kitchen/bathroom)</i></b>				
Floors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Molding/trim	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
<b><i>Paint</i></b>				
Interior paint	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Exterior paint	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
<b><i>Kitchen</i></b>				
Floors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Cabinets/counter tops	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Electrical	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Plumbing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Appliances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
<b><i>Bathroom</i></b>				
Floors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Cabinets/counter tops	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Toilet/bathtub (shower)/sink	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Electrical	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Plumbing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Ceiling fan/ vent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____

## REHABILITATION STANDARDS & PRELIM REHABILITATION CHECKLIST

### ELECTRICAL

- Minimum of 100-amp service per unit.
- Dwelling to have a minimum of two exterior receptacles for the front and rear.
- Each outside entry door to the house and garage to have lighting.

<u>Electrical</u>	No Repair	Needs Repair	Replace or Addition	
Electrical panel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Electrical outlets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Wiring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____

### PLUMBING AND MECHANICALS

- Provide one new exterior sill-cock centrally located to reach front and rear yards.
- If the existing sewer system is retained, it must be cleaned out to the city sewer main—a receipt of work must be supplied. Install a clean out, if there is no main clean out.
- Provide an exterior vent for clothes dryer.
- If an existing water heater shall be retained, it must be less than 5 years old and owner must provide written certification from a licensed plumber that the water heater meets code.
- If an existing heating plant shall be retained, it must be less than 10 years old and owner must provide written certification from a licensed heating contractor that the heating plant meets Code.
- New forced air furnaces must be 90% plus efficient.
- Kitchen must have a hood fan, which shall be vented to the outside, where possible. Where not possible, please notify CPED at the time plans and specs are submitted for review.
- Bathroom fans are required and shall be vented to the exterior.
- A combustion air (or make-up air) vent, if required by Code.

<u>Plumbing &amp; Mechanicals</u>	No Repair	Needs Repair	Replace or Addition	
Supply (water) lines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Main water supply intake	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Sewer line	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Furnace	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Air conditioner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Water heater	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Washer/ dryer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____

## REHABILITATION STANDARDS & PRELIM REHABILITATION CHECKLIST

### ENVIRONMENTAL

- **Lead Based Paint:** For houses built before 1978, owners are required to ensure that their activities comply with the Environmental Protection Agency (EPA) and MN Department of Health. Provide a lead clearance report upon completion of renovation activities.
- **Asbestos:** Owners are required to comply with the EPA and MN Department of Health. Provide disposal manifest, when applicable.
- **Radon:** Test for Radon in the home and provide CPED with report. If the test results exceed the EPA standards, install a radon mitigation system.
- **Mold:** When mold is observed, owners are required to ensure that their activities comply with the MN Department of Health. Submit a scope of work to address the mold.

For more information about environmental contaminants present in homes, visit:

<http://www.health.state.mn.us/topics/healthyhomes/index.html>

<u>Environmental</u>	No Repair	Needs Repair	Replace or Addition	\$ _____
Lead paint work and Clearances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Asbestos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Radon Test/Mitigation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
<u>Permits</u>				\$ _____

**TOTAL ESTIMATED REHAB**                      \$ \_\_\_\_\_

**Upon completion of the project, you shall submit to CPED documentation demonstrating:**

- All recommended and required Truth-in Sale of Housing or Code Compliance deficiencies are corrected.
- All work required by the attached rehabilitation standards are complete.
- All work is completed in a professional manner as outlined in the International Residential Code (IRC) and the Minnesota Building Code.
- All appropriate permits are acquired and final inspections completed, as required by Code.
- Proper function of HVAC, Sewer, Plumbing and Roof are submitted to CPED.
- A lead clean to clearance report, asbestos manifest, and radon testing results, as applicable.

**I have read and understand the requirements associated with the purchase of properties from the City of Minneapolis. By signing below, I agree to all the rehabilitation requirements associated with the acquisition of the property.**

\_\_\_\_\_

Print Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

**Appendix B:**  
**City of Minneapolis Disposition Policy**

# City of Minneapolis

## REAL ESTATE DISPOSITION POLICY

Brief Description	The Real Estate Disposition Policy governs a) disposition of City-owned real estate that is no longer needed for City operating purposes and b) disposition of real estate acquired or held by the City for development purposes
Type (enterprise or departmental)	Enterprise
Applies to	All departments
Department responsible for the policy	This Policy is a joint effort of the City Engineer's Office, the City Attorney's Office, the Finance Department and CPED
Approval Authority	Council/Mayor
History: Approval date, effective date, revisions	Approved by Council action 4/16/04. Prior approval 12/01 by Council action for City operating purposes and 9/03 by MCDA Board action for development purposes
Questions to	Rebecca Law, Lee Larson, Shelley Roe

### **1.0 Policy Purpose**

The City of Minneapolis (hereafter "City") recognizes the need for a policy guiding real estate disposition transactions of the City. Real estate dispositions typically occur because a property is no longer needed for City operational purposes or to implement a development strategy. Through this policy, the City assigns the responsibilities connected with real estate dispositions and incorporates the development-related business lines of the newly created department of Community Planning & Economic Development (CPED) into City policy.

### **2.0 Scope of Policy**

**2.1 Disposition of Excess City Property.** The City may dispose of real estate no longer needed for City operational purposes ("Excess Property or Properties"). From time to time, the Public Works Department shall recommend specific operational properties for disposition. The City Engineer shall determine whether a property is "Excess Property" because it is no longer needed for municipal operations.

The City Engineer shall also notify the CPED Director of any proposed dispositions and the CPED Director shall have thirty (30) calendar days to request the Excess Property for development purposes. If the CPED Director requests the Excess Property for development purposes, such request shall include a brief description of the proposed use and shall be communicated to the City Council as part of the disposition process described below. If no response is received within that time, it will be assumed that there is no development need for that property.

Proposed sales of Excess Property shall be referred to the City Planning Commission for conformance with the comprehensive plan, unless the City Council states by resolution with two-thirds vote that the proposed disposition has no relationship to the comprehensive municipal plan.

The City Council shall approve the disposition strategy for each Excess Property. Suggested disposition strategies may include, but are not limited to, the following:

- (A) Disposition by CPED for development purposes in accordance with section 2.2 of this Disposition Policy;
- (B) Disposition by Public Works using one or more of the following marketing strategies;
  - (i) Sale to highest bidder;
  - (ii) Negotiated sale with an adjacent property owner;
  - (iii) Private sale, or
  - (iv) Broker sale.
- (C) Under no circumstances shall the Public Works Department conduct a disposition process that includes a development agreement between the City and the proposed buyer. Property dispositions that include development agreements shall be conducted solely by CPED staff.

If the Council determines that CPED should market a specific Excess Property for development purposes, Section 2.2 of this Disposition Policy would apply and such conveyance would be exempt from Sections 14.120 and 22.140 of the Minneapolis Code of Ordinances. CPED shall assume property management responsibility for an Excess Property to be sold for development purposes. If the specific Excess Property is not marketed for development purposes, the aforementioned code sections and this Section 2.1 of the Disposition Policy would apply. Public Works will retain property management responsibility for Excess Property not sold for development purposes.

Upon selection of a recommended buyer for an Excess Property, Public Works must publish notice of the proposed sale. The Council must hold a public hearing and the estimated market value of the property shall be reported to the Council. Upon approval by the Council and the Mayor in the manner provided by City Charter, Chapter 3, Section 1, the disposition must be documented by a written contract between the City and the approved buyer or an Affiliate, as defined in section 2.2.1 below, of the buyer acceptable to the Director of Public Works. The contract must be signed as follows:

- A) A person in a position identified on the [Positions Authorized to Sign Contracts list](#),
- B) The City Attorney or an Assistant City Attorney, and
- C) The Finance Officer or the Assistant Finance Officer as required by the City Charter.

All disposition proceeds must be distributed as per the applicable City ordinance.

**2.2 Disposition of Development Property.** CPED is responsible for the disposition of real property acquired, held or sold by the City for development purposes (“Development Property or Properties”). CPED shall dispose of City Development Property in accordance with Minneapolis Code of Ordinances Chapter 415, applicable Federal and State laws, and this Disposition Policy.

**2.2.1 Definitions.**

**“Affiliate”** means any entity directly or indirectly controlling or controlled by or under direct or indirect common control with another entity and any purchaser of all or

substantially all of the assets of such entity. For this purpose, “control” means the power to direct management and policies, directly or indirectly, whether through ownership of voting securities, by contract or otherwise, and the term “controlling” and “controlled” have correlative meanings.

**“Building Code”** means the building code for the City as set forth in Minneapolis Code of Ordinances Chapter 85, as amended.

**“CPED Appraiser”** means the CPED staff person with the title of “Appraiser” or a future equivalent position, whose duties are to provide appraisal services to CPED.

**“Development Property or Properties”** means all real property acquired, held or sold by the City for development purposes, including fixtures, improvements, appurtenances, air rights and below grade property rights.

**“Fair Reuse Value”** means an estimated Market Value for the Development Property based on the planned use of the Development Property as determined by the CPED Appraiser and approved by the CPED Director.

**“Land Inventory”** means the Development Properties owned by the City.

**“Market Value”** means the actual value in money for which a willing seller not compelled to sell will sell real property to a willing buyer not required to buy.

**“Purchaser”** means any person, corporation or other legal entity who (i) purchases, leases or acquires an interest in a Development Property; or (ii) has entered into a Redevelopment Contract with the City for the purchase, lease or other acquisition of an interest in a Development Property; or (iii) has actually purchased, leased or otherwise acquired an interest in a Development Property.

**“Purchase Price”** means the actual purchase price the Purchaser shall pay for the Development Property as required and approved by the Council.

**“Recapture”** means the amount of any Writedown given the Purchaser that the City intends to be repaid at a future date, usually not to exceed 20 years from the date of conveyance of the Development Property. The Recapture may be evidenced by a promissory note and secured by a mortgage or other collateral acceptable to the City.

**“Redevelopment Contract”** means the contract between the City and the Purchaser for the disposition and redevelopment of the Development Property consistent with Council approval.

**“Soil Correction”** means the site and engineering work necessary and required to clean, clear, remove, mitigate and/or remediate Unsuitable Soils from the Development Property.

**“Soil Correction Allowance”** means the amount by which the Purchase Price is reduced to reimburse the Purchaser for certain Soil Correction costs as approved by the CPED Director or Council.

**“Unsuitable Soils”** means abnormal, geotechnically substandard or contaminated soils, which in CPED staff’s professional opinion, qualify for Soil Correction. Such abnormal, substandard or contaminated soils shall include, but are not limited to, soils that contain substantive amounts of loose and/or organic soils; demolition debris and rubble; abandoned building foundations, pilings, underground utilities and storage tanks; illegally dumped and buried materials; and hazardous wastes, pollutants or contaminants as those terms are defined under any federal, state or local statute, ordinance, code or regulation.

**“Writedown”** means the amount by which the Purchase Price is reduced below the Fair Reuse Value based on public purpose considerations.

**“Writeoff”** means the difference between the City’s actual cost to assemble the Development Property for disposition, which costs include land acquisition, demolition and relocation costs, and the Fair Reuse Value.

**“Zoning Ordinance”** means Title 20 of the Minneapolis Code of Ordinances.

**2.2.2 Disposition for Development Properties; Speculation Prohibited.** The disposition of Development Properties shall be for development purposes that are consistent with the City’s development goals. The City shall not dispose of its Development Properties for speculation or land banking.

**2.2.3 Establishing Reuse and Fair Reuse Value.** Upon acquisition of Development Properties to be included in the Land Inventory, the CPED Director shall establish for each Development Property (i) the desired reuse for the Development Property to be offered for disposition; and (ii) its Fair Reuse Value. The Fair Reuse Value shall be periodically reviewed and may be increased or decreased based on appropriate valuation methods as approved by the CPED Appraiser.

**2.2.4 Marketing Development Properties.** Development Properties in the Land Inventory shall be offered for development, redevelopment or other public purposes and marketed by any of the following methods: (i) public bid by auction or sealed bid; (ii) request for proposals; (iii) direct negotiation and sale; (iv) through a broker as approved by the CPED Director; (v) pass-thru conduit sale of property owned by another governmental entity to a Purchaser that pays all costs of transfer and conveyance, including an administrative fee of up to 10% of the purchase price to the City; and (vi) public-use donation by dedication, gift or exchange to another governmental entity. Direct negotiation with a single Purchaser is not appropriate where another Purchaser has already submitted an Offer to Purchase the same Development Property or the Development Property is being marketed by public bid or request for proposals or the Development Property has been approved for exclusive development rights or disposition by the Council to another Purchaser or the CPED Director determines that a direct sale is not in the best interest of the City.

**2.2.5 Offer to Purchase.** Purchasers who want to acquire Development Property must submit an Offer to Purchase in a form prescribed by CPED. The Offer to Purchase shall include a statement that it is not a legally binding agreement or contract and the acceptance of the Purchaser’s offer is subject to CPED staff review

and evaluation, neighborhood review, a public hearing, Council approval and the negotiation and full execution of a Redevelopment Contract.

**2.2.6 Determining Purchase Price, Lease Rate and Writedowns.** CPED staff may negotiate the proposed Purchase Price or lease rate for each Development Property. CPED shall not negotiate a Purchase Price or lease rate that is less than the current Fair Reuse Value for the Development Property, unless staff determines that a Writedown is justified. CPED staff may recommend a Writedown for the Development Property where there is a valid public purpose and the Writedown is necessary for the financial viability of the Purchaser's redevelopment proposal. The amount of the Writedown shall not exceed the value of the public benefit to be received as approved by the Council. A Writedown shall not reduce the Purchase Price or lease rate to less than \$1.00. The City may sell, transfer or lease any Development Property to another governmental entity for any public use by gift, exchange or Writedown. The Council must approve the Purchase Price, lease rate or Writedown for the disposition of each Development Property.

**2.2.7 Soil Correction Allowance.** Where it can be demonstrated that the Development Property contains substantial amounts of Unsuitable Soils, the Purchaser may be given a Soil Correction Allowance. The CPED Director may approve a Soil Correction Allowance of \$100,000 or less. The Council must approve any Soil Correction Allowance that exceeds \$100,000. The amount of the Soil Correction Allowance, along with any Writedowns and other City deductible costs, shall not reduce the Purchase Price to less than \$1.00. If the Purchase Price has already been adjusted for known Unsuitable Soils and the Development Property is being sold on an "as is" basis, the Purchaser shall not receive a Soil Correction Allowance.

**2.2.8 CPED Staff and Neighborhood Review; Infill Housing.** CPED staff shall review and evaluate all development proposals and Offers to Purchase and make recommendations to the CPED Director and the Council and Mayor. Neighborhood review shall be done when required by City policy, state or federal laws or grant requirements; provided, however, that the review of "infill housing" shall be as follows. Affected neighborhood groups may review new infill single-family or duplex housing construction projects on Development Properties. The Purchaser and its representatives and CPED staff shall only be required to attend one neighborhood meeting to review the single-family or duplex housing proposal. The Council will only consider neighborhood comments that relate to building height and mass, front elevation, roof configuration, exterior materials, building setback and other similar design items. Neighborhood design guidelines should recommend what is desirable and not create an inflexible set of rules. Neighborhood recommendations that require any exterior or interior changes or upgrades that would have a significant cost impact on the project will only be considered by the Council if the Purchaser consents to such changes or upgrades and the neighborhood firmly commits to fund or finance for immediate payment, the changes or upgrades at no additional cost to the Purchaser. CPED staff will provide technical assistance to neighborhood groups to develop appropriate design guidelines or to review and revise existing design guidelines.

**2.2.9 Public Hearing.** The Council must hold a public hearing regarding the sale, lease or other disposition of Development Property prior to Council approval. Unless otherwise provided in state law, notice of the public hearing must be published in a newspaper of general circulation, at least once, not less than 10 days nor more than 30 days, prior to the date of the public hearing. The following types of Development Property dispositions do not require a public hearing: (i) public bidding; and (ii) public-use donation.

**2.2.10 Council Approval.** After the public hearing has been held, the Council will consider the Purchaser's development proposal or Offer to Purchase; CPED staff recommendations; neighborhood review, if any; and the testimony and written comments from the public hearing. The report to the Council must identify the recommended Purchase Price and the Writeoff, Writedown and/or Recapture, if any. The Council, in its discretion, may approve, reject or modify the terms of the proposed disposition of the Development Property to the Purchaser. The City may not dispose of any Development Property without the approval of the Council and the Mayor in the manner provided by City Charter, Chapter 3, Section 1.

**2.2.11 Redevelopment Contract and Good Faith Deposit.** Upon Council approval and Mayoral concurrence as provided above, the City and the approved Purchaser (or an Affiliate of the Purchaser acceptable to the CPED Director) must enter into a Redevelopment Contract containing the approved terms and conditions for the disposition of the Development Property. If a Redevelopment Contract is not fully executed within 6 months after the date of Council approval, the CPED Director may cease further negotiations with the Purchaser and declare the Development Property disposition terminated. At the time the Purchaser signs the Redevelopment Contract, the Purchaser must pay to the City a good faith deposit equal to 10% of the Purchase Price to secure construction/rehabilitation performance on the Development Property. The good faith deposit will not be returned to the Purchaser until the City issues a certificate of completion to the Purchaser.

**2.2.12 Deferred Purchase Price Payment Option for Residential Projects.** A Purchaser who is undertaking the construction or rehabilitation of a 1-10 unit housing project for sale to owner-occupant buyers may request deferral of the Purchase Price payment for the Development Property until the housing units are sold to owner-occupant buyer(s). This "Deferred Purchase Price Payment Option" must be described in the Offer to Purchase and approved by the CPED Director. If approved for the "Deferred Purchase Price Payment Option," the Purchaser shall pay \$1.00 at closing, sign a promissory note for the balance of the Purchase Price and give the City a mortgage on the Development Property to secure the note. The Purchaser shall repay the deferred Purchase Price prorata upon the sale of each unit to an owner-occupant buyer in an amount equal to the amount of the deferred Purchase Price divided by the number of units comprising the project; provided, however, that the entire amount of the deferred Purchase Price must be repaid in full within 1 year from the date of conveyance of the Development Property.

**2.2.13 Sideyard Sales.**

A. Many of the Development Properties are scattered residential sites that constitute "buildable lots" under the Zoning Ordinance and, therefore, are

suitable for housing development. Because of the need to maintain the City's housing density and residential tax base, any buildable scattered residential property in the Land Inventory should be marketed for housing development at its highest and best use. CPED staff can assist neighborhood groups to develop a plan to dispose of lots in accordance with neighborhood character and desire, but only if a plan does not already exist.

- B. Lots in the Land Inventory that have less frontage width and/or area than the Zoning Ordinance requires to accommodate the construction of new housing may be sold as sideyards. However, where a variance or other relief (e.g., Section 531.100, Minneapolis Code of Ordinances) may be obtained in order to make a property a "buildable lot" under the Zoning Ordinance, or where there is an opportunity for combination with an adjacent property to create a new "buildable lot," CPED staff must first attempt to sell such lots for housing development. If such measures are unavailable or unsuccessful, the CPED staff may sell the lot to one or both of the adjacent property owners at a price based on the Fair Reuse Value of the nonbuildable lot as a sideyard.
- C. "Buildable lots" may be sold as sideyards only if one or more of the following criteria apply: (i) the shape of the "buildable lot" is irregular and not suitable for housing construction; (ii) construction of a new house on the "buildable lot" will not allow for the permitted setbacks under the Zoning Ordinance between the new house and the adjacent structures and variances are unobtainable; (iii) adjacent lots contain conflicting land uses that make the "buildable lot" unsuitable for housing construction; (iv) the "buildable lot" contains Unsuitable Soils, poor topography or other conditions that make Soil Correction expensive or construction infeasible; (v) the "buildable lot" can be used to provide needed off-street parking and/or open space to an adjacent multi-unit residential building, licensed day care center or nonresidential land use in order to make the adjacent lot comply with the Zoning Ordinance; (vi) the "buildable lot" is not served by an alley, cannot accommodate access to off-street parking along a driveway from the frontage and would necessitate construction of a house plan inconsistent with the architecture of the block and neighborhood; and (vii) if one or both of the adjacent lots are nonconforming lots under the Zoning Ordinance, a portion of the "buildable lot" may be sold as a sideyard to either or both of the adjacent lot owners to correct the nonconforming use, as long as the remaining portion of the "buildable lot" is still a "buildable lot." "Buildable lots" sold to adjacent property owners for use as sideyards shall be sold at a per square foot Fair Reuse Value equal to the amount the "buildable lot" would have sold for new housing construction.
- D. Where a "buildable lot" is sold in its entirety to an adjacent property owner, the Purchaser shall place a conservation easement pursuant to Minnesota Statutes Chapter 84C on the "buildable lot" in favor of the City to preserve the sideyard as open space and prevent construction of any improvements on the sideyard lot by the current or future owners which are not approved by the City.
- E. The City will not sell a buildable or nonbuildable sideyard lot to the owner of an adjacent lot that is not maintained in compliance with the Building Code or Zoning Ordinance.

- F. Where the adjacent lot is being sold by the fee owner to the occupants of the lot by a contract-for-deed sale and the fee owner does not want to take title to the City owned sideyard lot, the City may lease the sideyard lot to the occupants for future conveyance when the occupants acquire fee title to the adjacent lot through the contract-for-deed.
- G. Land Inventory properties sold for sideyards do not require an official notice of the proposed lot division be sent to property owners within 350 feet of the sideyard lot. Interested parties will have an opportunity for input through neighborhood review process and the public hearing before the Council.

#### **2.2.14 Community Garden Sales.**

- A. The City may make certain vacant nonbuildable lots, as described in Section 2.2.13 herein, in the Land Inventory available for purchase as a community garden to be used and enjoyed by City residents and other groups of people who desire an opportunity to garden for recreational and sustainable purposes (a "Community Garden Lot").
- B. Any interested nonprofit corporation or public agency that wants to purchase a Community Garden Lot may submit an Offer to Purchase to CPED. The sale of a Community Garden Lot shall be done in accordance with the applicable provisions of this Disposition Policy, including neighborhood review, public hearing and Council approval. Community Garden Lots may be sold only to nonprofit corporations and public agencies that can demonstrate financial viability and experience in owning and operating a community garden open and available to community members. Community Garden Lot sales require a favorable neighborhood recommendation and the approval of all adjoining property owners.
- C. (i) "Buildable lots" may not be sold for community garden use if there are legal requirements prohibiting the sale of Development Properties for purposes other than development or in those neighborhoods of the City where residential lot widths are predominantly 50 feet or greater with a lot area greater than 6,000 square feet and there is an insufficient amount of "buildable lots" available for housing development; and (ii) "buildable lots" may be sold for community garden use in those neighborhoods of the City where the residential lot widths are predominantly less than 50 feet with a lot area less than 6,000 square feet and there is a surplus of "buildable lots" available for housing development unless there are legal requirements prohibiting the sale of Development Properties for purposes other than development.
- D. Community Garden Lots shall be sold (i) for a Purchase Price equal to the Market Value of the lot; (ii) "as is" with no representations or warranties of any kind regarding soil condition or quality; (iii) with an environmental liability disclaimer by the City; and (iv) with an environmental indemnification and hold harmless from the Purchaser to the City. The Purchaser, at its sole cost and expense, shall be responsible for any and all soil tests, site investigation and Soil Correction.

E. Upon conveyance of a Community Garden Lot, the Purchaser shall place a conservation easement pursuant to Minnesota Statutes Chapter 84C on the Community Garden Lot in favor of the City. The conservation easement shall bind the Purchaser, its successors in interest and all future owners. The Purchaser may construct accessory buildings on the Community Garden Lot for tools, equipment and storage as permitted by the Building Code and Zoning Ordinance.

**2.2.15 Options, Rights of First Refusal and Exclusive Development Rights.** The Council may grant an option, right of first refusal or exclusive development rights to a Purchaser for a Development Property and may require the Purchase to pay a reasonable fee for such rights. The City and the Purchaser may enter into a written agreement for any option, right of first refusal or exclusive development rights.

**2.2.16 CDBG.** Where the City has used federal funds such as CDBG program funds to acquire a Development Property, the City shall follow the applicable federal regulations, if any, governing the disposition of such acquired property.

### **3.0 Policy Responsibilities**

#### **3.1 Mayor/City Council**

The Mayor and City Council will establish any new real estate disposition policies for the City and approve dispositions as required by this policy.

#### **3.2 City Engineer**

The City Engineer will designate staff to:

- Provide disposition coordination with respect to non-development property
- Coordinate the drafting of all disposition contracts with respect to non-development property
- Serve as lead disposition negotiator with respect to non-development property
- Approve forms and procedures for implementing this policy, as part of the Real Estate Transaction Policy Team
- Propose revisions to this policy, as part of the Real Estate Transaction Policy Team

#### **3.3 CPED Director**

The CPED Director will designate staff to:

- Provide disposition coordination with respect to development property
- Coordinate the drafting of all disposition contracts with respect to development property
- Serve as lead disposition negotiator with respect to development property
- Approve forms and procedures for implementing this policy, as part of the Real Estate Transaction Policy Team
- Propose revisions to this policy, as part of the Real Estate Transaction Policy Team

#### **3.4 City Finance Officer**

The City Finance Officer will designate staff to:

- Review all disposition contracts for compliance with policy

- Assist with disposition negotiation and financial analysis of disposition components when requested
- Approve forms and procedures for implementing this policy, as part of the Real Estate Transaction Policy Team
- Propose revisions to this policy, as part of the Real Estate Transaction Policy Team

### **3.5 City Attorney**

The City Attorney will designate staff to:

- Review disposition contracts for form
- Assist with disposition negotiation when requested
- Approve forms and procedures for implementing this policy, as part of the Real Estate Transaction Policy Team
- Propose revisions to this policy, as part of the Real Estate Transaction Policy Team

### **3.6 City Department Heads**

Department heads must determine operating property needs in conjunction with Public Works staff. Department heads are responsible for ensuring that disposition practices are consistent with City policies and procedures.

### **4.0 Effect on Other Policies**

This policy supercedes any and all previous City disposition policies unless the exception is listed below.

- MCDA policy will govern MCDA property until and unless transferred to the City

## **Appendix C:**

### **City of Minneapolis Offer to Purchase Residential Land**

The information being requested in this Offer to Purchase is required to be submitted before the City of Minneapolis will consider any land sale to the Purchaser. Failure to submit this information may disqualify the Purchaser from eligibility to purchase the property. All information provided by the Purchaser in this document will be treated in accordance with the Minnesota Data Privacy Act unless the Purchaser has submitted a waiver of such protections pursuant to a request for proposals process.

**FOR CPED STAFF USE ONLY**

Date Received: \_\_\_\_\_  
Land Sale Review Approval: \_\_\_\_\_  
Disposition Parcel Number: \_\_\_\_\_  
Date Neighborhood Notice Sent: \_\_\_\_\_

**OFFER TO PURCHASE RESIDENTIAL LAND AND IMPROVEMENTS  
FROM THE CITY OF MINNEAPOLIS**

**1. Purchaser and Property Information**

“Purchaser” name(s): \_\_\_\_\_

Property address: \_\_\_\_\_, Minneapolis, MN Zip: \_\_\_\_\_

Property legal description:

Purchaser agrees to purchase from the City of Minneapolis, a Minnesota municipal corporation (the “City”), upon approval of its City Council and its execution of a Contract, at the price and under the terms set forth herein, the above described real property, including land and improvements thereon. This document is NOT a purchase agreement. The Contract shall be the binding agreement between the parties.

**2. Purchase Price and Good Faith Deposit**

Purchase Price: \_\_\_\_\_

\*Good Faith Deposit: \_\_\_\_\_

\*The Good Faith Deposit amount is the greater of 10% of the purchase price or \$2,000. It shall be submitted upon execution of the Contract and held by the City until completion of development in accordance with the Contract. The City will not pay interest on the Good Faith Deposit and it shall not be applied to the Purchase Price.

**3. Enclosures**

Provide the following documents as an attachment to the Offer to Purchase. Offers submitted without Enclosures shall be considered incomplete and shall receive no consideration.

- New construction: A complete set of concept plans** including all elevations, all floors, and foundation plan and a **site plan to scale** showing location of house, garage, parking pad, sidewalks, and directions of water drainage
- Rehabilitation: Rehab specifications** detailing planned improvements and a **site plan to scale** showing any exterior site improvements proposed. If reconfiguring home floor plan, provide concept drawings showing current floor plan and proposed changes.
- Documentation of interim and permanent financing** (Any combination of the following):
  - Loan financing: provide conditional commitment letter that includes name and contact of loan officer, rate, terms, and amount financed.
  - Cash: provide evidence of available cash dated within 30 days.
  - Sale proceeds of other real estate: provide a “Net Sheet” from your realtor.
- Proforma:** Submit proforma showing costs to complete the project and intended financing.
- General Contractor Credentials:** Provide a [certificate of good standing](#).

#### 4. Terms and Conditions

In submitting this Offer to Purchase, it is understood that the following terms and conditions apply:

- **Right to reject:** The right to reject the Offer to Purchase is reserved by the City. If the Offer to Purchase is rejected, the City shall notify the Purchaser in writing and the notification shall release the City from any and all claims arising from this transaction.
- **Timeline:** If this Offer to Purchase is accepted, the Purchaser agrees to execute a Contract in the form prepared by the City within seven (7) days after receipt of said Contract and to close on the property within ninety (90) days of the City Council's acceptance of this Offer, except when a new construction project is proposed and the City Council's acceptance of this Offer occurs between October 15 and January 15, the closing must occur no later than the following April 15. The Purchaser agrees to begin construction or rehabilitation within 1 month from the date of closing and complete the construction within 12 months unless otherwise agreed upon.
- **Improvement Requirements:** The Purchaser agrees to develop the Property in conformity with City, State, and Federal statutes and ordinances, with the Redevelopment Plan/Program if applicable, and with construction plans and specifications approved by the City for the proposed development.

#### **STATEMENT OF NON-COLLUSION**

The Purchaser submitting this Offer to purchase so states that:

- 1) They are fully informed respecting the preparation and contents of this Offer to Purchase and of all pertinent circumstances respecting such offer.
- 2) Such offer is genuine and is not a collusive or sham offer, nor does the Purchaser intend to hold said Property as a "speculative" investment.
- 3) The price or prices quoted in this offer are fair and proper and the Purchaser or any of its officers, partners, agents, representatives, owners, or employees has not in any manner, sought to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against the City, or any person interested in the proposed contract and/or redevelopment.

The information contained herein is true and correct to the best of my/our knowledge and belief.

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Signature

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Title

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Date

---

Signature

---

Title

---

Date

# Purchaser's Statement for Public Disclosure

Address Applying For: \_\_\_\_\_

- 1) Have you purchased property from the City of Minneapolis before?  Yes  No
- 2) Are you currently or have you previously been involved in a lawsuit with the City of Minneapolis, one of its departments, or agencies?  Yes  No
- 3) Do you currently have any defaults, liens, or judgements?  Yes  No

Please explain any "Yes" answers to questions 1-3.

4) List properties you currently own in the City of Minneapolis.

5) List properties you have constructed or rehabilitated in the City of Minneapolis within the last 3 years.

**Certification: All individual(s) or business representatives sign below.**

I (We) certify that this Purchaser's Statement for Public Disclosure is true and correct to the best of my/our knowledge and belief.\*

\_\_\_\_\_  
Signature Title Date

\_\_\_\_\_  
Signature Title Date

\* If the Purchaser consists of two or more persons jointly, this statement must be signed by each person. The Penalty for False Certification: Section 1001, Title 18, of the US Code, provide a fine of not more than \$10,000 or imprisonment of not more than five years, or both, for knowingly and willfully making or using any false writing or document, knowing the same to contain any false, fictitious, or fraudulent statement or entry in this matter within the jurisdiction of any Department of the United States.

**Purchasers: Your response in this section will be the basis for all legal documents between the City of Minneapolis and yourself. Please be certain that your name is spelled as it would appear on legal documents.**

**Individual purchaser: complete this section if purchasing as an individual(s)**

Purchaser #1 Name \_\_\_\_\_ Marital Status \_\_\_\_\_  
Current Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Phone \_\_\_\_\_ Email \_\_\_\_\_

Purchaser #2 Name \_\_\_\_\_ Marital Status \_\_\_\_\_  
Current Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Phone \_\_\_\_\_ Email \_\_\_\_\_

If there are two purchasers, how do you wish to take title?

Joint Tenants                       Tenants in Common

**Business purchaser: complete this section if purchasing as a business.**

Business Name \_\_\_\_\_  
Current Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Contact Person \_\_\_\_\_ Website \_\_\_\_\_  
Phone \_\_\_\_\_ Email \_\_\_\_\_

Full name of person(s) who will be signing documents for your company

Name \_\_\_\_\_ Title \_\_\_\_\_  
Name \_\_\_\_\_ Title \_\_\_\_\_

This business was organized on (date): \_\_\_\_\_

and assigned the following organization number: \_\_\_\_\_

and organized or operating under the laws of the state of: \_\_\_\_\_ as a:

Limited Liability Company                       A joint venture                       Corporation  
 A non-profit institution                       A federal, state, or local government                       A partnership  
 Other \_\_\_\_\_

List partners, officers, principal members, or investors with a business interest of ten percent (10%) or more.

Attach additional sheets as necessary.

Name	Title	Description of Interest	% interest
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Purchaser Name: \_\_\_\_\_

Property Address: \_\_\_\_\_

### Proposed Development (Check all that apply)

New Construction	<input type="checkbox"/>	Single-Family	<input type="checkbox"/>	Occupied by Purchaser	<input type="checkbox"/>
Rehabilitation	<input type="checkbox"/>	Multi-Family	<input type="checkbox"/>	Owner Occupied	<input type="checkbox"/>
Visitable*	<input type="checkbox"/>	Accessible^	<input type="checkbox"/>	Rental	<input type="checkbox"/>

\*Visitable means one no-step entry, 32" door clearance for all primary doorways, and a 1/2 bath that meets minimum ADA clearance criteria on the main level.

[^ Accessible means fully compliant with 2010 ADA Standards for Design.](#)

### Unit Description

	# Units	Finished Sq Ftge per unit	# Bath	Estimated Sales Price or Rent
1 Bedroom	<input type="checkbox"/>	_____	<input type="checkbox"/>	_____
2 Bedroom	<input type="checkbox"/>	_____	<input type="checkbox"/>	_____
3 Bedroom	<input type="checkbox"/>	_____	<input type="checkbox"/>	_____
4 Bedroom	<input type="checkbox"/>	_____	<input type="checkbox"/>	_____
___ Bedroom	<input type="checkbox"/>	_____	<input type="checkbox"/>	_____

### Unit Amenities (Check all that apply)

<b>Proposed Sustainable:</b>		<b>Garage Size:</b>		<b>Garage:</b>	
Energy STAR certify	<input type="checkbox"/>	Single car	<input type="checkbox"/>	Attached	<input type="checkbox"/>
Rain gardens	<input type="checkbox"/>	Double car	<input type="checkbox"/>	Detached	<input type="checkbox"/>
Other:	_____				

### Builder/General Contractor Information

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_ License #: \_\_\_\_\_

City, State and Zip: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_ Web: \_\_\_\_\_

List projects completed by the general contractor in the last 2 years (attach additional page as needed)

Describe your general contractor's qualifications and experience (attach additional page as needed)

### Marketing Information for Sale or Lease

Marketing agent or leasing company: \_\_\_\_\_

Describe your marketing activities and timeframe (attach additional page as needed)

## PRIVACY NOTICE

The City of Minneapolis uses the information provided in the Offer to Purchase to review offers for eligibility and selection criteria consistent with the Vacant Housing Recycling Program.

Certain of the information provided in the Offer to Purchase may constitute private data on individuals or nonpublic data under the Minnesota Government Data Practices Act. You have the right to refuse to provide such information. You are not legally or otherwise being required to provide the information, as you are not required to participate in the Vacant Housing Recycling Program. However, if you do not provide the information your offer will be deemed incomplete and will not be eligible for selection.

The City may, in its discretion, make the Offer to Purchase, or portions thereof, public for the purpose of soliciting input from applicable neighborhood organizations and members of the community, in order to meet the City's citizen participation goals. [NAME][, on behalf of [COMPANY]] hereby consents to the release of its Offer to Purchase for [ADDRESS] and waives all claims, if any, it may have under Minnesota Statutes Section 13.08 against the City of Minneapolis for making such information public.

Notwithstanding the foregoing, you may claim that trade secrets or particularly sensitive financial, personal, or business information submitted under separate confidential cover is nonpublic or private data along with a description of the legal basis for such classification under the Minnesota Government Data Practices Act. The City shall make any final determinations as to whether such information is nonpublic or private, but will notify you if the City intends to release such information so that you can be afforded an opportunity (not to exceed five business days) to bring legal action to prevent its disclosure. Overly broad claims of nonpublic or private information that hinder the City's ability to meet its citizen participation goals will be grounds for rejection of the entire Offer to Purchase as unresponsive.

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SIGNATURE

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DATE

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PRINT NAME