

Request for Committee Action

To: Community Development & Regulatory Services
Date: 6/21/2016
Referral: N/A
From: Community Planning & Economic Development
Lead Staff: Earl S. Pettiford, Senior Project Coordinator
Presented by: Earl S. Pettiford, Senior Project Coordinator
File type: Resolution
Subcategory: Land Sale

Subject:

Land Sale: 3125 Bloomington Avenue South to Tim Rysgaard

Description:

Passage of a Resolution approving the sale of the property at 3125 Bloomington Avenue South, TF-888, to Tim Rysgaard for \$20,100, subject to conditions.

Previous Actions:

On December 11, 2015, the City Council approved the Vacant Housing Recycling Program that defines the program guidelines for disposition of vacant buildings and lots for housing development.

Ward/Neighborhood/Address:

Ward 9.
Powderhorn Park Neighborhood.

<u>PARCEL</u>	<u>ADDRESS</u>	<u>SALE PRICE</u>
TF-888	3125 Bloomington Avenue South	\$20,100

PURCHASER

Tim Rysgaard
1950 Walnut Street
Lauderdale, MN 55113

PROPOSED DEVELOPMENT:

Tim Rysgaard proposes to build a 1,700 square foot, three-bedroom, two-bath, single family home with a double car, detached garage.

The lot size is 42' x 122' = approximately 5,143 total square feet.

LAND DISPOSITION POLICY:

The sale of this property is in compliance with the City's Disposition Policy. The sales price of this property reflects the full re-use value.

FINANCING*:

The developer has secured construction financing from Wintrust Mortgage a division of Barrington Bank and Trust Company.

*Subject to application and underwriting requirements.

COMMENTS:

On October 23, 2015, the City acquired this vacant land parcel from Hennepin County for \$1.00. The vacant parcel was subsequently publicly advertised on the City's website and through e-mail notification to a list of over 750 developers and homebuyers. An informational meeting was held in December 2015 to inform potential developers and homebuyers about the City's disposition process and the VHRP information is posted on the City's website.

This is the only offer received for this property. The offer was evaluated based on program criteria stated in the VHRP manual, including: financial capacity, experience, responsibility, scope of work and occupancy intentions.

The developer will be the owner occupant of the completed home.

Notification was provided to the Powderhorn Park neighborhood.

Financial Review:

No additional appropriation required, amount included in current budget.

- Elimination of future property management costs estimated at \$3,600 per year.
- Proposed Net Sale Proceeds (see attached table): \$16,376
- Proposed Re-Use Value Write-Down (see attached table): \$0

Future budget impact anticipated.

Approved by the Permanent Review Committee.

Meets Small and Underutilized Business Program goals.

Attachments:

1. 3125 Bloomington Avenue South Land Sale_Resolution
2. 3125 Bloomington Avenue South Land Sale_Ward Map
3. 3125 Bloomington Avenue South Land Sale_Cost Sheet
4. 3125 Bloomington Avenue South Land Sale_Schematics