

Authorizing the acquisition of property owned by Hennepin County in connection with the Humboldt Greenway Redevelopment Project on a deferred basis for a total purchase price of \$1,178,943.25.

Whereas, the Minneapolis Community Development Agency (the "Agency"), a public body corporate and politic, was created pursuant to Laws of Minnesota 1980, Chapter 595, as amended (the "Special Law") and has been authorized to transact business and exercise its powers by the City of Minneapolis (the "City") by Ordinance No. 86-OR-35 adopted on February 28, 1986, as amended (the "Ordinances"); and

Whereas, pursuant to the Special Law and the Ordinances the Agency has certain powers, including without limitation the powers contained in Minnesota Statutes, Sections 469.001 to 469.047 (the "Act"); and

Whereas, in furtherance of the objectives of the Act, the Agency has undertaken a program for the rehabilitation of blighted, deteriorated, deteriorating, vacant, unused, underused or inappropriately used, areas of the city, and in this connection the Agency is engaged in carrying out a redevelopment project known as the Humboldt Greenway Redevelopment Project (hereinafter referred to as the "Project"); and

Whereas, pursuant to the Act and Minnesota Statutes, Sections 469.174 to 469.179 and Act of May 25, 1999, Ch. 243, art. 10, sec. 3, 1999 Minn. Gen. Laws (the "Tax Increment Act"), the Agency and the City have approved a Redevelopment Plan approved December 18, 1998 for the Project; and

Whereas, pursuant to the Act, and specifically Section 469.012, subd. 1, the Agency is authorized to acquire real property by purchase and to borrow money or other property from state public bodies; and

Whereas, the Agency proposes to enter into an amendment to its redevelopment contract with Humboldt Greenway Development LLC dated February 13, 2001 (the "Developer"), to develop certain real property located in the Project area (the "Redevelopment Contract"), which includes a development plan and commitment by the Developer to develop 65 single-family homes, 19 rowhomes, 24 townhouses and related improvements in the Project area; and

Whereas, to accommodate Developer's proposed development, the Developer has requested and the Agency would like to provide, certain real property in the Project Area, including the properties currently owned by Hennepin County (the "Hennepin County Properties") on a deferred purchase price basis; and

Whereas, the Agency will need to acquire the Hennepin County Properties on a deferred purchase price basis; and

Whereas, the City Council, exercising powers granted by Minnesota Laws 2003, Chapter 127, Article 12, Sections 31 – 34, adopted Chapter 415, Minneapolis Code of Ordinances, establishing the Department of Community Planning and Economic Development (“CPED”) and authorizing transfers to the City of the money, real property, investments, personal property, assets, programs, projects, districts, developments and obligations of the Agency; and

Whereas, pursuant to Resolution Nos. 2003R-625 and 2003R-626, both adopted on December 29, 2003, the City Council approved transfer of the money, investments, personal property, programs, projects, districts and obligations of the MCDA described therein, including the assets, rights and obligations of the Common Bond Fund, effective as of January 1, 2004; and

Now, Therefore, Be It Resolved by the City Council of the City of Minneapolis and the Board of Commissioners of the Minneapolis Community Development Agency:

1. That the Agency enter into an amendment of its Land Conveyance Agreement with Hennepin County dated February 1, 2001 as amended March 21, 2003 to allow for the Agency to pay the purchase price of the Hennepin County Properties, up to \$1,178,943.25 either contractually or through a Note mechanism.
2. Additionally, until such time as Hennepin County is paid in full, the Agency may pay to Hennepin County fifty percent (50%) of any interest the Agency receives from the developer pursuant to the “Deferred Purchase Price Note” as described in the Redevelopment Contract.
3. That the acquisition of the Hennepin County Properties on a deferred basis from Hennepin County for a total purchase price of up to \$1,178,943.25 is hereby approved and documentation thereof shall be executed by the Executive Director or the Deputy Executive Director and countersigned by the Finance Officer or Assistant Finance Officer herein.
4. That upon transfer of all the real property in the Redevelopment Project Area to the Developer, the City will accept and assume the contractual obligations of the Agency with respect to the Project, including the Redevelopment Contract, the Deferred Purchase Price Note and Mortgage and any documents with Hennepin County evidencing the foregoing deferred purchase price arrangement for the Hennepin County Properties.

Be It Further Resolved that in making the agreements, provisions, covenants and representations contemplated herein, neither the Agency nor the City has obligated itself to pay or remit any funds or revenues which are to be applied to payment due to Hennepin County, other than the funds and revenues derived from the developer pursuant to the Deferred Purchase Price Note and Redevelopment Contract.

Be It Further Resolved that this resolution shall be in full force and effect after passage and publication.