



**Request for City Council Committee Action  
From the Department of Community Planning & Economic Development**

**Date:** May 3, 2005

**To:** Council Member Lisa Goodman, Community Development Cmte

**Prepared by:** Edith Johnson, Senior Project Coordinator, Phone 673-5262

**Presenter in Committee:** Edith Johnson, Senior Project Coordinator

**Approved by:** Chuck Lutz, Deputy CPED Director \_\_\_\_\_  
Elizabeth Ryan, Director, Housing Policy \_\_\_\_\_  
& Development

**Subject:** Land Sale – Public Hearing  
Willard Homewood

**RECOMMENDATION:**

- 1) Rescind the sale of 2206 Penn Avenue North to Valentine J. Zimmerman under Resolution No. 2003-2779M; and
  
- 2) Approve the sale of 2206 Penn Avenue North to Chris Aimua and Associates, Inc. for \$19,000, subject to the following conditions: a) land sale closing must occur on or before 30 days from date of approval, and b) payment of holding costs of \$150.00 per month from the date of approval to the date of closing if land sale closing does not occur on or before 30 days from date of approval. The sale conditions may be waived or amended with the approval of the CPED Director

**Previous Directives:** CPED acquired 2206 Penn Avenue North on October 1, 1996. On July 23, 2003, the MCDA Board approved the sale of this property to Valentine J. Zimmerman under Resolution No. 2003-2779M. The sale of the property was canceled because Valentine J. Zimmerman did not wish to proceed with the purchase of the property.

**Financial Impact** (Check those that apply)

- No financial impact - or - Action is within current department budget.  
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase

- Action requires use of contingency or reserves  
 Other financial impact (Explain): Eliminate property management costs.  
 Request provided to the Budget Office when provided to the Committee Coordinator

**Community Impact** (Summarize below)

**Ward:** 5

**Neighborhood Notification:** Northside Residents Redevelopment Council's Residential and Commercial Task Force (RCTF) reviewed the proposal and recommended the sale to Chris Aimua and Associates, Inc., with the following suggestions:

1. Increase soffit overhangs from 12" to 16."
2. Extend porch to 6' deep. This may result in a "softening" of porch roof line.
3. Remove all grids from windows.

**City Goals:** Foster the development and preservation of a mix of quality housing types that is available, affordable, meets current needs, and promotes future growth.

**Comprehensive Plan:** This lot is located within the Willard Homewood Urban Renewal Plan, and the sale is therefore consistent with the City's Comprehensive Plan.

**Zoning Code:** R2B

**Living Wage/Job Linkage:** N/A

**Other:** Chris Aimua and Associates' house elevations and site plan were submitted to the Planning Department for review and comments. The Planning Department's staff believes that single family new construction is appropriate for the subject property.

**Background/Supporting Information**

**PARCEL**

WH 2-6

**ADDRESS**

2206 Penn Avenue North

**SALE PRICE**

\$19,000

**PURCHASER**

Chris Aimua and Associates, Inc.  
14637 White Tail Ridge  
Prior Lake, MN 55372

**PROPOSED DEVELOPMENT:**

Chris Aimua and Associates, Inc. proposes construction of a single family 2-story home containing 3 bedrooms, 2 ½ baths, full unfinished basement, approximately 2,400 square feet of finished living space and detached two-car garage.

The estimated after construction value of the home is \$216,250, and the home will be marketed and sold to an owner-occupant. Chris Aimua and Associates, Inc. will be the general contractor/builder.

The lot size is 45' x 124' = 5,580 total square feet.

**LAND DISPOSITION POLICY:**

This property is a buildable lot as defined by City policy and is being sold for development.

**FINANCING\*:**

Chris Aimua and Associates, Inc., has demonstrated sufficient financing for the above proposed development.

\*Subject to application and underwriting requirements.

**OFFERING PROCEDURE:**

Public Advertisement. The sales price of this property does reflect the full re-use value.

**COMMENTS:**

In October 1996, 2206 Penn Avenue North was purchased as a vacant, boarded and condemned duplex and was later demolished due to unreasonably high estimates for rehabilitation. In July 2003, the MCDA Board approved the sale of this property to Valentine J. Zimmerman, who signed the redevelopment contract in August 2003, but decided he did not wish to proceed with the land sale because of social concerns in North Minneapolis. This report's recommendation includes language to rescind the resolution to sell the property to Valentine J. Zimmerman.

2206 Penn Avenue North was on the MCDA/CPED lot list before the offer was received by CPED from Chris Aimua and Associate, Inc. on February 15, 2005. There were no competing offers.

CPED staff reviewed the proposal and forwarded it to Northside Residents Redevelopment Council (NRRC) for the forty-five day review process. At its March 2005 meeting, NRRC's Residential and Commercial Task Force (RCTF) supported Chris Aimua and Associate, Inc's proposal.

In its offer documents, Chris Aimua and Associates, Inc., notes that it purchased and constructed a single family home on a former MCDA/CPED property at 3528-1<sup>st</sup> Avenue South, Minneapolis, Minnesota.

CPED staff concurs with NRRC's Residential and Commercial Task Force's recommendation to sell the property to Chris Aimua and Associates, Incorporated, for construction of a single family home to sell for owner occupancy.

