

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

Date: September 16, 2008
To: Council Member Lisa Goodman, Chair, Community Development Committee

Subject: Classification of Tax Forfeited land, authorization for the City of Minneapolis/CPED to purchase certain parcels and register title on said parcels

Recommendation: Staff recommends that the City Council adopts the attached resolution, as follows:

- a) Classification of all properties listed in the resolution as non-conservation land;
- b) Conveyance of one Hennepin County tax-forfeited property to the City of Minneapolis for the fair market value as agreed to by both parties, utilizing the deferred payment option as outlined in the Memorandum of Understanding between the two governmental entities;
- c) Rescind the release of the property located at 2808 Washington Ave. N. approved by the City Council on September 26, 2008 and approve conveyance of said parcel to the City of Minneapolis for the fair market value as agreed to by both parties, utilizing the deferred payment option as outlined in the Memorandum of Understanding between the two governmental entities;
- d) Placement of two Hennepin County tax-forfeited properties on hold for six months for CPED; and
- e) Authorization of the Mayor and the City Clerk to sign an application(s) for title registration which will be filed pursuant to Minnesota Statutes 508.03(6).

Previous Directives: None

Prepared by: Edie Oliveto-Oates, Senior Project Coordinator, Phone 612-673-5229
Approved by: Charles T. Lutz, Deputy CPED Director _____ Tom Streitz, Director Housing Policy & Development _____
Presenters in Committee: Edie Oliveto-Oates, Senior Project Coordinator

Financial Impact

- No financial impact
- Action requires an appropriation increase to the Capital Budget _____ or Operating Budget _____
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Action is within the Business Plan
- Action requires a change to the Business Plan
- Other financial impact
- Request provided to the Finance Department when provided to the Committee Coordinator

Community Impact

- ◆ Neighborhood Notification: The list was distributed electronically to neighborhoods located in the City of Minneapolis on September 26, 2008.
- ◆ City Goals: A SAFE PLACE TO CALL HOME *Housing, Health and Safety*- In five years all Minneapolis residents will have a better quality of life and access to housing and services; residents will live in a healthy environment and benefit from healthy lifestyles; the city's infrastructure will be well-maintained and people will feel safe in the city.
- ◆ Comprehensive Plan: Not applicable.
- ◆ Zoning Code: All current uses comply.

Supporting Information

In accordance with Minnesota Statute 282.01, the City of Minneapolis was notified on September 22, 2008, by Hennepin County that certain properties located within the jurisdiction of the municipality had forfeited to the State of Minnesota for unpaid taxes. These properties have, in accordance with Minnesota Statute 282.135, been classified by Hennepin County as non-conservation lands. It is the obligation of the City to review this classification and take action to concur or change the classification placed on the subject parcels by the County. In addition, it is the obligation of the City to approve parcels for public auction, private auction to adjacent owners, request public use conveyance, and or a non-public sale to the City.

Also, in accordance with Minnesota Statute 282.01(1), the City has sixty (60) days from receipt of the notice to respond. The deadline for responding to the County is November 22, 2008.

City staff has completed a review of the properties and, in accordance with the existing Memorandum of Understanding between the City and the County, staff has determined that the City will be acquiring one property at this time subject to the deferred payment option. The deferred payment option provides the City three years in which to sell the properties and pay the County the fair market value. The City is also requesting that two properties be placed on a six-month hold to allow staff to determine the development potential of these lots. In addition, the property located at 2808 Washington Avenue N., PID # 10-029-24-34-0052, was released for public auction at the September 26, 2008, City Council Meeting. At this time staff is working with a developer for this property and is recommending that the original resolution be rescinded and the purchase of this property be approved for commercial development under the deferred payment option of the existing Memorandum of Understanding.

Staff is recommending purchase of the condominium garage at 301 Clifton Avenue #G45, at the request of Hennepin County to facilitate the sale of the garage to the condominium association to ensure that it is appropriately combined with the existing units. This will be a pass through sale.

Title clearance will be necessary for all properties conveyed to, or purchased by, the City of Minneapolis. Staff is recommending that the City Council authorizes the Mayor and the City Clerk to sign an application(s) for title registration on all of the properties that it will be acquiring and that application be filed pursuant to Minnesota Statutes 508.03(6).

In accordance with Minnesota Statute 282.135, staff is recommending that all of the properties contained in the list 1450 Conservation/Non Conservation list which are not being purchased/conveyed to the City or placed on a six-month hold for the City be classified as non-conservation and that the remaining properties be released for sale as indicated in the resolution.

(Resolution)

Approving the classification of certain forfeited land located in the City of Minneapolis, Hennepin County, Minnesota, as non-conservation and the conveyance thereof.

WHEREAS, the City Council of the City of Minneapolis, Hennepin County, Minnesota, has been advised by the County of Hennepin, Minnesota, that certain parcels of land in said City have become the property of the State of Minnesota under the provision of law declaring the forfeiture of lands to the State for nonpayment of taxes;

NOW, THEREFORE, BE IT RESOLVED by the City Council of The City of Minneapolis, that the parcels listed below which have not already been designated as non-conservation land be designated as such, and that all the properties listed below be withheld from public and private sale and conveyed to the City of Minneapolis/CPED.

<u>PID Number</u>	<u>Address</u> <u>Target</u> <u>Lot Size</u>	<u>Ward</u>	<u>Date Of</u> <u>Forfeit</u>	<u>Zoning</u> <u>Current Use</u>	<u>Legal Description</u>
27-029-24-33-0902	301 Clifton Avenue #G45 Yes IRREGULAR.	7	07/10/08	DP OR3 - SH Condo Garage	CIC NO. 1206 301 CLIFTON PLACE CONDOMINIUM GAR UNIT G45
10-029-24-34-0052 (Deferred payment option)	2808 Washington Ave N Yes 55x144	3	5/22/08	I2 Occupied Industrial Building	EX ALLEY LOT 008 BLOCK 028 MORRISONS ADDITION TO NORTH MINNEAPOIS

NOW, THEREFORE, BE IT RESOLVED by the City Council of The City of Minneapolis, that the parcels listed below are designated as non-conservation land, and that all the properties listed below are withheld from sale for six (6) months:

<u>PID Number</u>	<u>Address</u> <u>Target</u> <u>Lot Size</u>	<u>Ward</u>	<u>Date Of</u> <u>Forfeit</u>	<u>Zoning</u> <u>Current Use</u>	<u>Legal Description</u>
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16-029-24-24-0078	1400 West Broadway Yes 25X140=3,250 sq. ft.	5	08/21/08	C1 Vacant Commercial Building	COM AT SE COR OF LOT 6 THENCE N ON E LINE 93 95/100 FT THENCE W 14 FT THENCE S TO S LINE OF SAID LOT THENCE SELY TO BEGINNING INCL ADJ PORTION OF ALLEY VAC EX PART TAKEN FOR ALLEY LOT 006 BLOCK 016 "FOREST HEIGHTS"
16-029-24-24-0211	1404 West Broadway Yes 80X105X75X135= 9,038 sq. ft.	5	08/21/08	C1 Vacant Commercial Land	LOT 5 AND W 1/2 OF LOT 6 BLOCK 016 "FOREST HEIGHTS"

NOW, THEREFORE, BE IT RESOLVED by the City Council of The City of Minneapolis, that the parcels listed below are designated as non-conservation land, and that all the properties listed below are released for public auction.

<u>PID Number</u>	<u>Address</u>	<u>Ward</u>	<u>Date Of Forfeit</u>	<u>Zoning Current Use</u>	<u>Legal Description</u>
10-028-24-14-0038	4028 5 th Avenue S	8	07/10/08	R1A Occupied Single Family	LOT 008 BLOCK 002 PORTLAND PARK ADDITION TO MINNEAPOLIS
34-029-24-21-0151	2115 Pillsbury Ave #3	6	07/10/08	R5 Vacant Condo	CIC NO. 1127 D.C., 2115 PROPERTIES UNIT NO. 3
14-029-24-13-0043	1331 Washington St NE	1	07/10/08	R2B Occupied Duplex	LOT 026 BLOCK 006 MCMILLAN'S ADDITION TO MINNEAPOLIS
04-028-24-42-0230	3409 Emerson Ave S #5	10	07/24/08	R4 Vacant Condo (Furnace Room)	CIC NO. 1247 3409 EMERSON AVENUE SOUTH CONDOMINIUM UNIT NO 5
21-029-24-24-0151	807 Irving Ave North	5	07/24/08	R4 Vacant Land	LOT 002 BLOCK 002 EIGHTH AND IRVING ADDITION
35-029-24-21-0020	813 21 st St East	6	07/24/08	NP R4 Vacant Land Apartment	W 50 FT LOT 001 BLOCK 001 CLARK'S ADDITION TO MINNEAPOLIS
11-028-24-33-0167	4533 Park Avenue	8	08/07/08	R1A Occupied Single Family	LOT 022 BLOCK 007 AUDITOR'S SUBDIVISION NO. 257 HENNEPIN COUNTY, MINN

BE IT FURTHER RESOLVED by the City Council of the City of Minneapolis, that the city is authorized to file an application for title registration on the tax forfeited properties listed in this resolution for acquisition by the City of Minneapolis signed by the Mayor and the City Clerk pursuant to Minnesota Statutes 508.03(6):