

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

**Date:** August 24, 2010

**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 follow:

- 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 \$1.00, in accordance with the Memorandum of Understanding between the two governmental entities;
- c) Conveyance of two Hennepin County tax-forfeited properties 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) Authorization of a six-month hold of three tax-forfeited properties located in non-target neighborhoods and eight tax-forfeited properties located in target neighborhoods to allow CPED and Hennepin County staff to negotiate purchase;
- e) Authorization of the Mayor and the City Clerk to sign an application 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 \_\_\_\_\_

Thomas A. Streitz, Director Housing Policy & Development \_\_\_\_\_

Presenter in Committee: Edie Oliveto-Oates, Senior Project Coordinator

**Financial Impact**

No financial impact

**Community Impact**

- ◆ Neighborhood Notification: The list was distributed electronically and via standard mail to every neighborhood located in the City of Minneapolis on July 2, 2010.

- ◆ City Goals: Livable Communities, Healthy Lives
  - Our built and natural environment adds character to our city, enhances our health and enriches our lives
  - High-quality, affordable housing for all ages and stages in every neighborhood.
- ◆ Comprehensive Plan: Generally the hold and release of these properties is consistent with The Minneapolis Plan for Sustainable Growth. As projects proceed to development, additional review will be necessary to ensure consistency with the Comprehensive Plan.
- ◆ Zoning Code: All current uses comply.

### **Supporting Information**

In accordance with Minnesota Statute 282.01, the City of Minneapolis was notified on July 2, 2010, 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 recommend a change to 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, or a non-public sale to the City.

Also, in accordance with Minnesota Statute 282.01(1), the City has 60 days from receipt of the notice to respond. The deadline for responding to the County is September 2, 2010. Notification was sent to all the neighborhoods and applicable City departments on July 2, 2010.

City staff has completed a review of the properties and determined that three properties are appropriate for acquisition at this time. In accordance with the existing Memorandum of Understanding between the City and the County, the City is requesting that one property be conveyed to the City for \$1 and that two properties be subject to the deferred payment option providing the City three years in which to sell the properties and pay the County the fair market value. In addition, the City has placed eight properties located in target neighborhoods and three properties located in non-target neighborhoods on hold for six months to allow staff to negotiate the purchase price with Hennepin County and determine an appropriate redevelopment strategy for each site.

Title clearance will be necessary for any properties conveyed to, or purchased by, the City of Minneapolis. Staff is recommending that the City Council authorize the Mayor and the City Clerk to sign an application 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 on the 1528 Conservation/Non Conservation list be classified as non-conservation and that the properties which are not being purchased or conveyed to the

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City or placed on a six-month hold for the City, be released for sale as indicated in the attached resolution.

By Goodman

**Approving the classification of certain tax-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 Department of Community Planning and Economic Development (CPED):

<u>PID Number</u> <u>Address</u>	<u>Target</u>	<u>Ward</u> <u>Zoning</u> <u>Forfeit Date</u>	<u>Lot Size</u>	<u>Legal Description</u>	<u>Current</u> <u>Use</u>
<b>03 028 24 13 0023</b>	Yes	8	46x128		Vacant, Boarded, Condemned Single Family
3219 2ND AVE S		R2B	5,873	LOT 022 BLOCK 009 BAKER'S 2ND	
Non-Conservation		05/20/10		ADDITION TO MINNEAPOLIS	
<b>04 029 24 33 0132</b>	No	4	38x129		Vacant Duplex
3758 PENN AVE N		C1	4,895	INCL ADJ 7 FT OF PENN AVE N	
Non-Conservation		06/17/10		VACATED LOT 030 BLOCK 004 "JOSEPH LOWRY'S ADDITION TO MINNEAPOLIS"	
<b>16 029 24 13 0063</b>	Yes	5	60x157		Vacant, Boarded, Condemned Apartment Building
2129 EMERSON AVE N		R2B	9,263	LOT 1 AND N 12 62/100 FT OF LOT 2	
Non-Conservation		06/17/10		BLOCK 033 HIGHLAND PARK ADDITION TO THE CITY OF MINNEAPOLIS	

Be It Further Resolved that the parcels listed below be designated as non-conservation land, and that all the properties listed below be withheld from sale for six months:

<u>PID Number</u> <u>Address</u>	<u>Target</u>	<u>Ward</u> <u>Zoning</u> <u>Forfeit Date</u>	<u>Lot Size</u>	<u>Legal Description</u>	<u>Current</u> <u>Use</u>
<b>12 118 21 23 0354</b> 4904 HUMBOLDT AV N Non-Conservation	No	4 R4 05/20/10	Irregular 3,597	OUTLOT B HUMBOLDT GREENWAY FIFTH ADDITION	Vacant Land
<b>12 118 21 23 0355</b> 1423 51 <sup>ST</sup> AVE N Non-Conservation	No	4 R4 05/20/10	Irregular 4,655	OUTLOT A HUMBOLDT GREENWAY FIFTH ADDITION	Vacant Land
<b>09 029 24 44 0045</b> 2611 LYNDAL AVE N Non-Conservation	Yes	3 R2B 05/28/10	42.6x126 5,369	LOT 005 BLOCK 004 FAIRMOUNT PARK ADDITION TO MINNEAPOLIS	Single Family
<b>01 028 24 14 0075</b> 3216 30 <sup>TH</sup> AVE S Non-Conservation	No	9 R1A 06/03/10	42x159 6,678	LOT 005 BLOCK 009 "ROLLINS SECOND ADDITION TO MINNEAPOLIS, MINNESOTA"	Vacant, Boarded Single Family
<b>16 029 24 22 0136</b> 2334 LOGAN AVE N Non-Conservation	Yes	5 R2B 06/17/10	45x133 5,985	LOT 081 BLOCK 019 "FOREST HEIGHTS"	Vacant, Boarded, Condemned Duplex
<b>16 029 24 31 0020</b> 1409 18 <sup>TH</sup> AVE N Non-Conservation	Yes	5 R2B 06/17/10	40x155 6,048	LOT 003 BLOCK 004 NORTH HIGH SCHOOL ADDITION TO MINNEAPOLIS	Vacant Duplex
<b>16 029 24 43 0125</b> 1326 FREMONT AVE N Non-Conservation	Yes	5 R2B 06/17/10	41x155 6,398	LOT 023 BLOCK 020 "GALES SUBDIVISIONS IN SHERBURNE & BEEBE'S ADDITION TO MINNEAPOLIS"	Vacant, Boarded, Condemned Duplex
<b>17 029 24 42 0139</b> 1639 WASHBURN A N Non-Conservation	Yes	5 R1A 06/17/10	40x127.4 5,080	LOT 006 BLOCK 002 "HIGHLAND ADDITION TO MINNEAPOLIS"	Vacant Single Family
<b>34 029 24 23 0171</b> 2453 LYNDAL AVE S Non-Conservation	Yes	6 OR2 06/17/10	37.6x119 4,462	LOT 017 BLOCK 002 "REARRANGEMENT OF FERGUSON'S ADDITION TO MINNEAPOLIS"	Occupied Single Family/Office
<b>34 029 24 34 0051</b> 2820 PILLSBURY AVE Non-Conservation	Yes	6 R2B 06/17/10	45x165 7,425	LOT 006 BLOCK 003 LINDLEY & LINGENFELTER'S ADDITION TO MINNEAPOLIS	Vacant, Boarded, Condemned Single Family

<b>35 029 24 14 0145</b>	Yes	9	29x123		Vacant Single Family
2527 18 <sup>TH</sup> AVE S		R2B	3,555		N ½ LOT 010 BLOCK 001
Non-Conservation		06/17/10			"GILPATRICK'S SECOND ADDITION TO MINNEAPOLIS"

Be It Further Resolved that the parcels listed below be designated as non-conservation land, and that all the properties listed below be released for public auction:

<u>PID Number</u>	<u>Target</u>	<u>Ward</u> <u>Zoning</u> <u>Forfeit Date</u>	<u>Lot</u> <u>size</u>	<u>Legal Description</u>	<u>Current Use</u>
<b>12 118 21 34 0147</b>	No	4	40X127		Occupied Single Family
4502 ALDRICH AVE N			5,073		LOT 011 BLOCK 002 JAMES M. GILLESPIE'S 2ND ADD. TO MINNEAPOLIS MINN
Non-Conservation		05/20/10			
<b>02 028 24 22 0002</b>	Yes	8	40x118		Vacant Commercial Land
3013 PORTLAND AV S		OR2	4,720		THAT PART OF NW 1/4 OF NW 1/4 OF SEC 2 T 28 R 24 DESC AS FOL COM AT A PT ON E LINE OF PORTLAND AVE DIS 160 FT S OF N LINE OF SAID SEC 2 TH E 118 FT TH AT R/A S 40 FT TH W TO A PT ON SAID E LINE OF PORTLAND AVE 40 FT S FROM PT OF BEG TH N 40 FT TO PT OF BEG UNPLATTED
Non-Conservation		05/20/10			
<b>17 028 24 43 0128</b>	No	13	40x128		Occupied Single Family
5231 WASHBURN AV S		R1A	5,120		LOT 023 BLOCK 002 "WOODHOLME ACRES"
Non-Conservation		05/28/10			
<b>35 029 24 21 0020</b>	Yes	6	50x134		Vacant Land Apartment
813 21ST ST E		NP/R4	6,700		W 50 FT LOT 001 BLOCK 001 CLARK'S ADDITION TO MINNEAPOLIS
Non-Conservation		05/28/10			
<b>16 029 24 13 0089</b>	Yes	5	46x157		Vacant Land
2020 FREMONT AVE N		R5	7,222		N 8 FT OF LOT 12 AND S 38 FT OF LOT 13 BLOCK 034 HIGHLAND PARK ADDITION TO THE CITY OF MINNEAPOLIS
Non-Conservation		05/28/10			
<b>07 028 23 13 0072</b>	No	12	40x129		Vacant Land
4050 40TH AVE S		R1A	5,120		LOT 014 BLOCK 003 "SMITH AND HOWE'S FIRST ADDITION TO MINNEAPOLIS"
Non-Conservation		06/03/10			
<b>07 028 23 24 0080</b>	No	12	40x150		Occupied Single Family
4021 SNELLING AVE		R1A	6,000		LOT 030 BLOCK 001 "ELMHURST ADDITION TO MINNEAPOLIS"
Non-Conservation		06/03/10			
<b>15 029 24 22 0101</b>	Yes	3	40x86		Vacant Land

314 25TH AVE N		R2B	3,440	E 40 FT OF LOTS 9 AND 10 BLOCK 001 WOODLAND PARK
Non-Conservation		06/17/10		
<b>15 029 24 22 0172</b>	Yes	3	43x156	Vacant Land
2414 LYNDAL AVE N		R2B	6,751	LOT 012 BLOCK 004 WOODLAND PARK
Non-Conservation		06/17/10		
<b>16 029 24 21 0123</b>	Yes	5	Irregular	Vacant Land
1401 25TH AVE N		R1A	9,075	LOT 001 BLOCK 010 "FOREST HEIGHTS"
Non-Conservation		06/17/10		
<b>35 029 24 34 0027</b>	Yes	9	40x126	Vacant Land
2929 11TH AVE S		R5	5,120	LOT 021 BLOCK 001 ALLAN & ANDERSONS SECOND 2 <sup>ND</sup> ADDITION TO MINNEAPOLIS
Non-Conservation		06/17/10		
<b>35 029 24 41 0176</b>	Yes	9	41x123.5	Vacant Land
2720 17TH AVE S		R2B	5,063	LOT 006 "STONEMANS REARRANGEMENT OF THE EAST HALF OF BLOCK THREE (3) PETER'S ADDITION TO MINNEAPOLIS"
Non-Conservation		06/17/10		

Be it Further Resolved that the parcels listed below be designated as non-conservation land, and that all the property listed below be released for auction to adjacent owners:

<u>PID Number</u>	<u>Address</u>	<u>Target</u>	<u>Ward</u> <u>Zoning</u> <u>Forfeit Date</u>	<u>Lot Size</u>	<u>Legal Description</u>	<u>Current Use</u>
<b>05 028 24 21 0441</b>	3150 EXCELSIOR BLVD # S1	No	13 R6	IRREGULAR	UNIT NO S1 CIC NO. 1474 CONDOS AT LAKE CALHOUN CONDOMINIUM	Condo Parking Stall
Non-Conservation			05/20/10			
<b>05 028 24 21 0442</b>	3150 EXCELSIOR BLVD # S2	No	13 R6	IRREGULAR	UNIT NO S2 CIC NO. 1474 CONDOS AT LAKE CALHOUN CONDOMINIUM	Condo Parking Stall
Non-Conservation			05/20/10			
<b>05 028 24 21 0452</b>	3150 EXCELSIOR BLVD # S12	No	13 R6	IRREGULAR	UNIT NO S12 CIC NO. 1474 CONDOS AT LAKE CALHOUN CONDOMINIUM	Condo Parking Stall
Non-Conservation			05/20/10			
<b>05 028 24 21 0456</b>	3150 EXCELSIOR BLVD # S16	No	13 R6	IRREGULAR	UNIT NO S16 CIC NO. 1474 CONDOS AT LAKE CALHOUN CONDOMINIUM	Condo Parking Stall
Non-Conservation			05/20/10			

<b>05 028 24 21 0458</b>	No	13	IRREGULAR	Condo Parking Stall
3150 EXCELSIOR BLVD # S18		R6		UNIT NO S18 CIC NO. 1474 CONDOS AT LAKE CALHOUN CONDOMINIUM
Non-Conservation		05/20/10		

<b>24 029 24 24 0072</b>	Yes	3	48x41	Vacant Land
712 11TH AVE S E		R2B	1,968	THAT PART OF LOT 92 AUD SUBD NO 28 AND THAT PART OF LOT 12 BLK 13 THWINGS ADDN TO MPLS LYING NELY OF A LINE PARALLEL WITH AND 105 FT NELY FROM THE NELY LINE OF SEVENTH ST SE AUDITOR'S SUBDIVISION NO. 028 HENNEPIN COUNTY, MINN
Non-Conservation		06/03/10		

<b>15 029 24 22 0034</b>	Yes	3	35x80	Vacant Land
2306 6TH ST N		R2B	2,800	N 35 FT OF W 80 FT LOT 009 BLOCK 008 COBB'S ADDITION TO NORTH MINNEAPOLIS
Non-Conservation		06/17/10		

Be it Further Resolved 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)