

Minneapolis Community Development Agency

Request for City Council Action

Date: April 22, 2002

To: Council Member Lisa Goodman, Community Development Committee
Commissioner Lisa Goodman, MCDA Operating Committee

Prepared by Edie Oliveto-Oates, Project Coordinator, Phone 612-673-5229

Approved by Chuck Lutz, MCDA Interim Executive Director _____

**Subject: Lot Division & Land Sale – Public Hearing
Model City Urban Renewal Project
Lot Reduction Program**

<u>Parcel</u>	<u>Address</u>
MC 450-2A	3503 1 st Avenue South

**Purchaser: Powderhorn Residents Group, Incorporated
2017 East 38th Street
Minneapolis, Minnesota 55407**

Sales Price: \$1,572.00

Previous Directives: This property was acquired by the MCDA on December 31, 1993.

Ward: 8

Neighborhood Group Notification: The Lyndale PAC reviewed this proposal and recommended it be approved.

Consistency with *Building a City That Works*: This sale is consistent with *Building a City That Works*, Goal 2: Ensure that an array of housing choices exists to meet the needs of our current residents and attract new residents to the city; and Goal 3: Support strong and diverse neighborhoods where people choose to live.

Crown Roller Mill,
105 Fifth Ave. S., Suite 200
Minneapolis, MN 55401-2534
Telephone: (612) 673-5095
TTY: (612) 673-5154
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Comprehensive Plan Compliance: This sideyard sale is consistent with the Comprehensive Plan as shown on the Land Use Map and in conformance with the Model Cities Urban Renewal Program relating to this community.

Zoning Code Compliance: It complies, zoned R2B.

Impact on MCDA Budget: The sale of this parcel will reduce the Agency's cost of property management.

Living Wage / Business Subsidy: Not applicable.

Job Linkage: Not applicable.

Affirmative Action Compliance: Not applicable.

RECOMMENDATION:

City Council Recommendation: The Interim Executive Director recommends that the City Council adopt the attached Resolution for the proposed lot division that approves the lot division and waives the requirement for a subdivision plat.

MCDA Board Recommendation: The Interim Executive Director recommends the sale of Parcel A to Powderhorn Residents Group, Incorporated. This land sale is contingent upon the proposed lot division of 3503 1st Avenue South being approved by the City Council. In addition, the Interim Executive Director recommends approval of \$22,802 from the Lot Reduction Program for this project.

PROPOSED DEVELOPMENT:

The subject parcel is 30' x 130.6' = 3,918 total square feet. MCDA proposes to divide this parcel into two sideyards.

Parcel A will measure 12' x 130.6' = 1,567 sq. ft. and will be combined with 3505 1st Avenue South, making a revised lot size of 42' x 130.6' = 5,485 total square feet. Powderhorn Residents Group, Incorporated proposes to construct a 3-bedroom single family home on the revised lot.

Parcel B will measure 18' x 130.6' and will possibly be combined with 3501 1st Avenue South at a later date.

This action will return the properties to their original underlying platting.

LAND DISPOSITION POLICY: This parcel is not a buildable lot as defined by MCDA policy and can be sold as a sideyard

OFFERING PROCEDURE: Public advertisement. The sales price reflects the appraised reuse value of this parcel.

FINANCING:

\$165,000.00	Bremer Bank
\$ 22,802.00	MCDA
<u>\$ 22,802.00</u>	MHFA
\$210,604.00	Total Sales Price or Development Cost

COMMENTS: The sale of this sideyard will facilitate the construction of a 3-bedroom single family home that will be sold for owner occupancy. The developer is requesting GAP financing through the Lot Reduction Program of \$22,802 from the MCDA. They have secured the necessary matching funds from the Minneapolis Consortium Funds. The home will be sold to a low/moderate income purchaser. This lot split will return the property to its original underlying platting. The Agency is currently negotiating with the owner of 3501 1st Avenue to purchase the remaining 18 foot strip of land.

RECOMMENDATION:

City Council Recommendation: The Interim Executive Director recommends that the City Council adopt the attached Resolution for the proposed lot division that approves the lot division and waives the requirement for a subdivision plat.

MCDA Board Recommendation: The Interim Executive Director recommends the sale of Parcel A to Powderhorn Residents Group, Incorporated. This land sale is contingent upon the proposed lot division of 3503 1st Avenue South being approved by the City Council. In addition, the Interim Executive Director recommends approval of \$22,802 from the Lot Reduction Program for this project.

Approving the subdivision of a lot at 3503 1st Avenue South.

WHEREAS, the Minneapolis Community Development Agency (MCDA) has requested that a parcel of land located at 3503 1st Avenue South and legally described as:

The South 18 feet of Lot 14 and the North 12 feet of Lot 13, Block 2, Shartle's Addition to Minneapolis.

be subdivided as follows:

PARCEL A:

The North 12 feet of Lot 13, Block 2, Shartle's Addition to Minneapolis.

PARCEL B:

The South 18 feet of Lot 14, Block 2, Shartle's Addition to Minneapolis

WHEREAS, the MCDA intends to convey the subdivided parcels listed above to the owners of the adjacent properties with the following parcels:

PARCEL A: 3505 1st Avenue South

The South 30 feet of Lot 13, Block 2, Shartle's Addition to Minneapolis.

PARCEL B: 3501 1st Avenue South

The North 29 37/100 feet of Lot 14, Block 2, Shartle's Addition to Minneapolis.

WHEREAS, the proposed subdivision conforms with Minnesota Statutes Section 462.358 and Land Subdivision Regulations adopted by the Minneapolis City Council on July 14, 1995; and

WHEREAS, pursuant to due notice thereof published in Finance and Commerce on April 12, 2002, a public hearing on said subdivision and proposed sale was duly held in a joint meeting of the Community Development Committee of the City Council and the Operating Committee of the MCDA at 1:30 p.m., April 22, 2002, in Room 317, Minneapolis City Hall, 350 South 5th Street, in the City of Minneapolis, County of Hennepin, State of Minnesota;

NOW, THEREFORE, BE IT RESOLVED, by The City Council of The City of Minneapolis:

That the division of the above described property be approved and the requirement of a subdivision plat be waived.

BE IT FURTHER RESOLVED, that a certified copy of this resolution shall be attached to the deeds conveying the subdivided parcels.