



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

**Date:** October 11, 2005

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

**Prepared by:** Edie Oliveto-Oates, Phone 612-673-5229

**Presenter in Committee:** Edie Oliveto-Oates

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

**Subject:** Land Sale – Public Hearing  
Model Cities

**RECOMMENDATION:** Approve the sale of 2440 Portland Avenue S. for \$60,000 and 2826 Park Avenue S. for \$45,000 to Willenbring Companies, Inc. subject to the following conditions; 1) land sale closings must occur on or before 30 days from date of approval, and 2) payment of holding costs of \$150.00 per month per parcel from the date of approval to the date of closing if land sale closings do 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:** The CPED acquired 2440 Portland Avenue S. on 11/16/87 and acquired 2826 Park Avenue S. on 7/27/90.

**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:** 8

**Neighborhood Notification:** West Phillips reviewed these proposals and recommended they be approved.

**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:** These lots are located within the Model Cities Urban Renewal plan which was adopted on October 23, 1970 and the sales are therefore consistent with the City's Comprehensive Plan.

**Zoning Code:** 2440 Portland is zoned R6 and 2826 Park is zoned R5. The proposed development is consistent with the current zoning.

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

**Other:** A notice was sent to the planning department staff on August 19, 2005 for their comments. At this time no comments have been received. Both parcels are located in Model Cities so Planning Commission review is not necessary.

**Background/Supporting Information**

<u>PARCEL</u>	<u>ADDRESS</u>	<u>SALE PRICE</u>
MC 118-5	2440 Portland Avenue S.	\$60,000
MC 244-6	2826 Park Avenue S.	\$45,000

**PURCHASER**

Willenbring Companies, Inc.  
1890 Wooddale Drive #500,  
Woodbury, MN 55125

**PROPOSED DEVELOPMENT:**

**2440 Portland Avenue S.**

The lot size is 46x130=5,980 total square feet.

**2826 Park Avenue S.**

The lot size is 40X124=4,960 total square feet.

Each property will be developed with a triplex. Each unit will have 3 bedrooms, 1 ½ baths and will be approximately 1,350 square feet of living space. The structures will be marketed for owner occupancy.

**LAND DISPOSITION POLICY:**

These properties are buildable lots as defined by City policy and are being sold for development.

**FINANCING\*:**

The developer has private financing for these projects.

\*Subject to application and underwriting requirements.

**OFFERING PROCEDURE:**

Public Advertisement. The sales price of these properties does reflect the full re-use value.

**COMMENTS:**

The developer has a long standing reputation of quality development in the City of Minneapolis and a long history working with the City. Staff has reviewed these developments and believes it is appropriate to proceed with sale of these lots to this developer for development of two triplexes.

**Authorizing sale of land Model Cities  
Disposition Parcel No MC 118-5 and MC 244-6.**

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase and develop Disposition Parcels MC 118-5 and MC 244-6, in the Phillips neighborhood, from Willenbring Companies, Inc., hereinafter known as the Redeveloper, the Parcels MC 118-5 and MC 244-6, being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

LEGAL DESCRIPTION

**Parcel MC 188-5; 2440 Portland Av S**

Lot 8, Block 2, except the North 3 ¼ feet thereof, Goodrichs Addition to Minneapolis.

**Parcel MC 244-6; 2826 Park Av S**

Lot 36, Auditor's Subdivision Number 215.

Whereas, the Redeveloper has offered to pay the sum of \$60,000 (2440 Portland Av S) and \$45,000 (2826 Park Av S), for Parcels MC 118-5 and MC 244-6 to the City for the land, and the Redeveloper's proposal is in accordance with the applicable Redevelopment Plan and/or Program; and

Whereas, the Redeveloper has submitted to the City a statement of financial responsibility and qualifications; and

Whereas, the City has had the re-use value reviewed by an appraisal expert, stating that the re-use value opinion is consistent with the accepted methods in aiding the City in determining a re-use value for the Parcels; and

Whereas, pursuant to due notice thereof published in *Finance and Commerce* on September 30, 2005, a public hearing on the proposed sale was duly held on October 11, 2005, at the regularly scheduled Community Development Committee meeting of the City Council, at the Minneapolis City Hall, 350 South 5th Street, Room 317, at 1:30 p.m., 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 re-use value for uses in accordance with the Model Cities plan, as amended, is hereby estimated to be the sum of \$60,000 (2440 Portland Av S) and \$45,000 (2826 Park Av S) for Parcels MC 118-5 and MC 244-6.

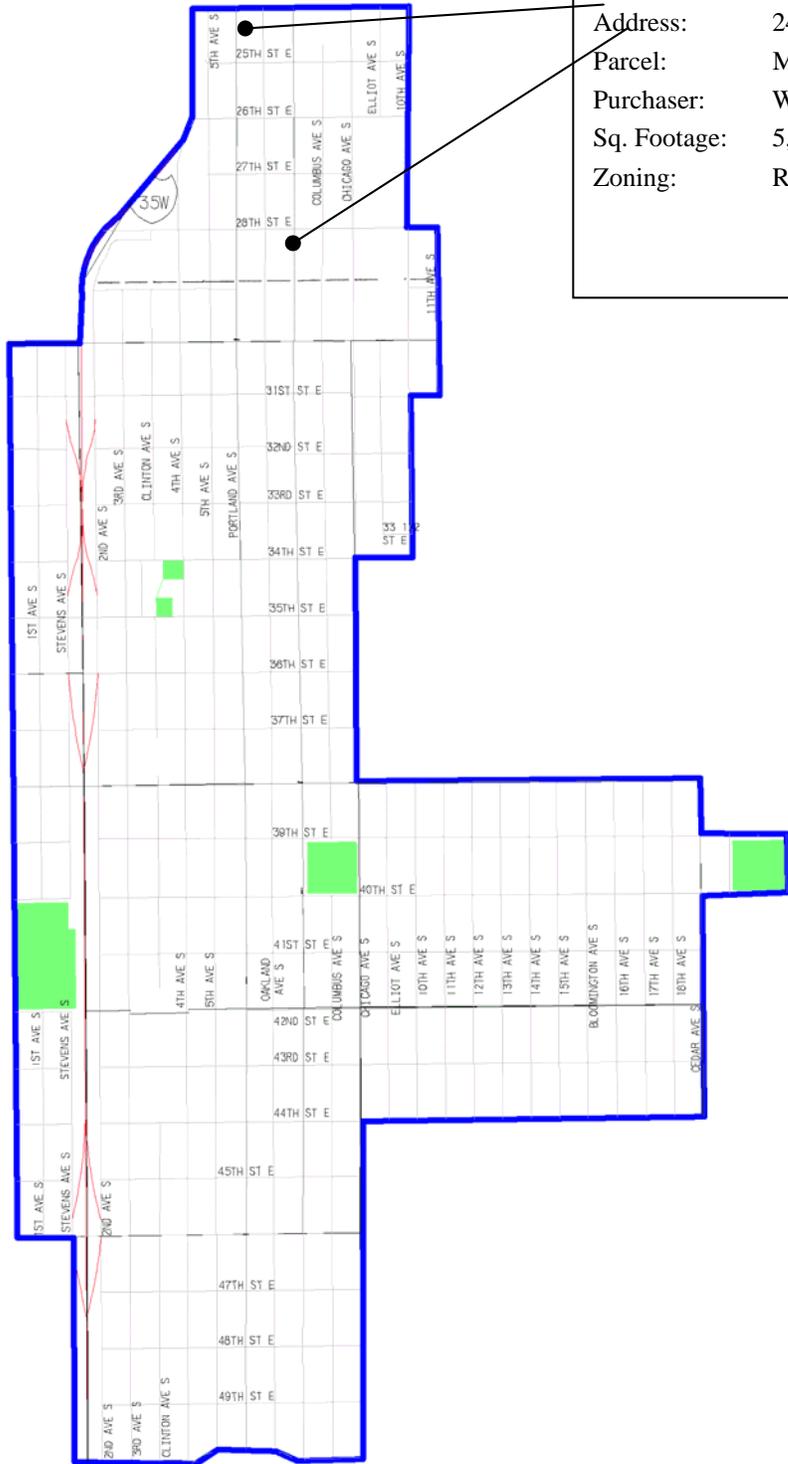
Be It Further Resolved that the acceptance of the offer and proposal is hereby determined to be in accordance with the City's approved disposition policy and it is further determined that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the parcels in accordance with the Redevelopment Plan and/or Program.

Be It Further Resolved that the proposal be and the same is hereby accepted, subject to the execution of a contract for the sale of land. Furthermore, that the Finance Officer or other appropriate official of the City be and the same is hereby authorized to execute and deliver the contract to the Redeveloper; provided, however, that this Resolution does not constitute such a contract and no such contract shall be created until executed by the Finance Officer or other appropriate official of the City.

Be It Further Resolved that the Finance Officer or other appropriate official of the City is hereby authorized to execute and deliver a conveyance of the land to the Redeveloper in accordance with the provisions of the executed contract and upon payment to the City for the purchase price thereof; provided, however, that this Resolution does not constitute such a conveyance and no such conveyance shall be created until executed by the Finance Officer or other appropriate City official of the City.

# WARD 8

Address: 2440 Portland Av S & 2826 Park Av  
Parcel: MC 118-5 & MC 144-6  
Purchaser: Willenbring Companies, Inc.  
Sq. Footage: 5,980 & 4,960  
Zoning: R6 & R5



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