



## Request for City Council Committee Action from the Department of Community Planning & Economic Development

**Date:** November 7, 2006

**To:** Council Member Lisa Goodman, Chair, Community Development Committee

**Subject:** Termination of condominium at 1834 Fremont Ave North in the 1101 West Broadway Project Area

**Recommendation:** (1) Approve attached resolution to terminate Condominium No. 399, TAHA Condominium (2) Authorize appropriate staff to prepare and execute required documents with Hennepin County Registrar of Title.

**Previous Directives:** The City Council approved the sale of 1834 Fremont in association with the 1101 West Broadway project on June 20, 2006. The City Council authorized appropriate staff to negotiate the terms of a redevelopment agreement and a land sale for City owned real property at the 1101 West Broadway Project Site with development team of The Ackerberg Group, Pillsbury United Communities, and Welsh Companies, partners in 1101 West Broadway Partners, LLC, in April 2006. The City Council authorized the MCDA to apply to the Metropolitan Council Livable Communities Act Tax Base Revitalization Account Grant Program for 1101 West Broadway in October 2002. MCDA Board allocated CEDF CDBG Funds from Fund FBGO-2201 to the Hubbard Building Project in the amount of \$300,000 and directed staff to negotiate a redevelopment contract with the previous developer, Broadway Center Associates, LLP in March 2003. CPED acquired 1101 West Broadway, 1831 Emerson Av N, 1834-38 Fremont Av N on October 13, 1992.

Prepared by: Erik Hansen, Senior Project Coordinator (612-673-5022)	
Approved by: Chuck Lutz, Deputy CPED Director	_____
Mike Christenson, Director Economic Policy & Development	_____
Presenter in Committee: Tom Daniel	

### Financial Impact

- No financial impact
- Action is within the Business Plan

### Community Impact

**Ward:** 5

**Neighborhood Notification:** Staff worked with Northside Residents Redevelopment Council (NRRC), Jordan Area Community Council (JACC), Hawthorne Area Community Council (HACC), the West Broadway Area Coalition (WBAC) and the West Broadway Business Association (WBBA) on preparation of the Request for Proposals and held a public meeting for development goals on August 9, 2005. After receipt of development proposals

staff notified the neighborhoods on December 23, 2005 and January 13, 2006. Staff held a public presentation on January 31, 2006. Staff formed a Project Review Team (PRT) with representatives of the aforementioned neighborhoods. Staff worked with NRRC for additional recommendation and comments.

**City Goals:** Consistent with goal to "Create an environment that maximizes economic development opportunities within Minneapolis by focusing on the City's physical and human assets."

**Comprehensive Plan:** Development is consistent with the desired land-uses at this location. The plan designates West Broadway as a commercial corridor. A neighborhood commercial node is oriented to pedestrian traffic and provides retail or service uses to residents in the surrounding neighborhoods.

**Zoning Code:** C2/R3

### **Background/Supporting Information**

In preparation of the land sale of 1101 West Broadway, 1831 Emerson Avenue, and 1834, 1836, 1838 Fremont Avenue to 1101 West Broadway Partners, LLC, staff discovered an existing condominium declaration for 1834 Fremont. This condominium, No. 399 TAHA Condominium, was associated with a previous structure that the MCDA demolished in 1996. To complete the sale of the property to the developer, it is the City's responsibility to sever this condominium from any title interest to the property. Hennepin County Registrar of Title requires a resolution to authorize staff to record a termination of this condominium on the property.

While the condominium termination requires swift action, there will be no delay to the scheduled conveyance of the property from the City to the developer. The City Attorney's office prepared a letter of undertaking. This letter is sufficient to insure the title from outside interest. However, the City assumes responsibility to remove the condominium from the title and any liabilities that might arise before the termination occurs. Staff does not expect any exposure to the City during this process.

## **RESOLUTION**

By Goodman

### **Terminating Condominium No. 399 TAHA Condominium**

Whereas, the City of Minneapolis (City) is the fee simple owner of the land described as Unit No. 1, 2, 3 and 4, Condominium No. 399 TAHA Condominium (the “Condominium”); and

Whereas, the Minneapolis Community Development Agency through the real property tax forfeiture upon the County of Hennepin’s issuance of a Certificate o Possessory Title on July 11, 1996 and filed in the Office of the Registrar of Titles as Document No. 2724442; and

Whereas, the City’s ownership of the Condominium is subject to the terms, provisions and restrictions contained in the Declaration filed as Document No. 4780580 and the By Laws filed as Document No. 4780581; and

Whereas, the building and improvements that constituted the Condominium were demolished and cleared from the Property by the Minneapolis Community Development Agency; and

Whereas, the Condominium may be terminated as provided in Article XIII of the Declaration and as provided in Minnesota Statutes Section 515A.2-120 and Minnesota Statutes, Section 515B.2-119.

Now, Therefore, Be It Resolved by the City Council of the City of Minneapolis:

1. That the City is the sole owner of the real property described as Units 1, 2, 3 and 4, Condominium No. 399, TAHA Condominium.
2. That there are no unit owners or mortgagees that need to join in or ratify a termination agreement.
3. That this Resolution shall be written evidence of the City’s agreement to terminate Units 1, 2, 3 and 4, Condominium No. 399, TAHA.
4. That upon adoption of this Resolution, the City Council directs its Department of Community Planning and Economic Development and its Finance Department to prepare the necessary “Certificate of Termination” as provided in Minnesota Statutes Section 515A.2-120 and Minnesota Statutes, Section 515B.2-119 .

5. That the Certificate of Termination shall be recorded as promptly as possible and in any event no later than December 31, 2006.

6. That this Resolution shall be null and void unless recorded by January 31, 2007.

7. That this Resolution shall inure to and benefit the successor owners of Units 1, 2, 3 and 4, Condominium No. 399, TAHA Condominium.

8. That any affairs of Units 1, 2, 3, and 4, Condominium No. 399, TAHA Condominium shall be wound up and completed on or before the date the City issues a "Certificate of Completion" as provided in the deed by which the City conveys title to Units 1, 2, 3, and 4, Condominium No. 399 TAHA Condominium to a successor, owner.