



7

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

Date: September 27, 2005

To: Council Member Lisa Goodman, Community Development
Cmte

Prepared by: Jackie Nawalany, Phone 612-673-5255

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

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

Subject: Land Sale – Public Hearing
HOW / HOME Program

RECOMMENDATION: Approve the sale of 2012 Willow Avenue North to Johanna J. Dixon and Michael A. Dixon II for \$190,000 subject to the following conditions; 1) land sale closing must occur on or before 60 days from date of City Council approval, and 2) payment of holding costs of \$150.00 per month from the date of City Council approval to the date of closing if land sale closing does not occur on or before 60 days from date of approval. The sale conditions may be waived or amended with the approval of the CPED Director.

Previous Directives: CPED acquired 2012 Willow Avenue North on January 30, 2002.

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: Eliminate property management costs.
- Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact

Ward: 3

Neighborhood Notification: Jordan Area Community Council reviewed this proposal on July 2, 2001 and recommended it 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: Planning Commission gave approval on February 23, 2005.

Zoning Code: R2B

Living Wage/Job Linkage: N/A

Other:

Background/Supporting Information

<u>PARCEL</u>	<u>ADDRESS</u>	<u>SALE PRICE</u>
HOME 47	2012 Willow Avenue North	\$190,000

PURCHASER

Johanna J. Dixon and Michael A. Dixon II
1115 Humboldt Avenue North #3
Minneapolis, MN. 55411

PROPOSED DEVELOPMENT:

The completed project is a 4-bedroom, 2 ½ bathroom house with 2,040 square feet of finished floor space. The house is being sold to a low/moderate income owner-occupant.

The lot size is 44' X 125' = 5,500 total square feet.

LAND DISPOSITION POLICY:

This single family residence was acquired on January 30, 2002 from a private party and was renovated under the Home Ownership Works program.

FINANCING*:

\$ 170,000	Wells Fargo Mortgage
\$ 16,200	HOW Second Mortgage
\$ 3,800	Buyer's down payment & earnest money
\$ 190,000	Total Sales Price

*Subject to application and underwriting requirements.

OFFERING PROCEDURE:

Public Advertisement. The sales price of this property does reflect the full re-use value.

COMMENTS:

The Home Ownership Works Program (HOW) is designed to address the goal of providing home ownership opportunities for residents who otherwise would have difficulty in attaining home ownership. The program can be used to treat properties in need of rehabilitation or demolition and new construction. HOW properties are owned by the City of Minneapolis during the renovation and/or construction period. All properties will meet the HOW Program Standards which exceed the minimum city code requirements. A net development subsidy of \$65,000 is used as a guideline and is funded from the federal HOME program.

The buyers of 2012 Willow Avenue North have been pre-approved by a mortgage lender. The buyers have completed the Purchase Education and Counseling Course and will complete the Housing Maintenance Class at Neighborhood Housing Services prior to closing as is required by the program. The number of people occupying this property complies with program guidelines.

**Authorizing sale of land Homeownership Works Program
Disposition Parcel No HOME 47**

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase Disposition Parcel HOME 47, in the Home Ownership Works Program, from Johanna J. Dixon and Michael A. Dixon II, hereinafter known as the Purchaser, the Parcel HOME 47, being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

LEGAL DESCRIPTION

Lot 30, Block 6, Forest Heights, according to the recorded plat thereof, and situate in Hennepin County, Minnesota.

Whereas, the Purchaser has offered to pay the sum of \$190,000, for Parcel HOME 47 to the City for land and improvements. This offer is in accordance with the City's Homeownership Works Program; 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 accepted methods in aiding the City in determining market value for the Parcel; and

Whereas, pursuant to due notice thereof published in *Finance and Commerce* on September 16, 2005, a public hearing on the proposed sale was duly held on September 27, 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 City's Homeownership Works Program, as amended, is hereby estimated to be the sum of \$190,000 for Parcel(s) HOME 47.

Be It Further Resolved that the acceptance of the offer and proposal is hereby determined to be in accordance with the City's approved CPED disposition policy and it is further determined that the Purchaser possesses the qualifications and financial resources necessary to acquire and develop the parcel in accordance with the Homeownership Works Program.

Be It Further Resolved that the proposal 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 is hereby authorized to execute and deliver the contract to the Purchaser; 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 upon publication of this Resolution, the Finance Officer or other appropriate official of the City is hereby authorized to execute and deliver a conveyance of the land to the Purchaser 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 official of the City

GIS2004 Map Results



- ### Legend
- Selected Features**
- Railroads
 - Lot Lines
 - Misc Lot Lines
 - Joiners
 - Lot Lines
 - Other
 - Lot Text
 - Streets
 - Parcels
 - Buildings
 - Orthophotos

GIS Business Services
331 2nd Ave. S., Ste. 220
Minneapolis, MN 55401
612-475-3141

The City of Minneapolis reserves no responsibility for the information presented herein.
Copyright © City of Minneapolis 2004

Address: 2012 Willow Av N
 Parcel: HOME 47
 Purchaser: Johanna J. Dixon and
 Michael A. Dixon II
 Sq. Footage: 5,500
 Zoning: R2B

WARD 3

