



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

Date: March 21, 2006
To: Council Member Lisa Goodman, Community Development Committee
Subject: Authorize the Hennepin County HRA to conduct business within the City of Minneapolis for the purpose of acting as a pass through for the sale of the property located at 3358 Russell Avenue North

Recommendation: It is recommended that the City Council approves the attached resolution authorizing the Hennepin County HRA to conduct business within the City of Minneapolis for the purpose of acting as a pass through for the property located at 3358 Russell Avenue North to the City of Lakes Community Land Trust.

Previous Directives: None

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

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

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

Financial Impact (Check those that apply)

- No financial impact (If checked, go directly to Background/Supporting Information).
- Action requires an appropriation increase to the Capital Budget or Operating Budget.
- Action provides increased revenue for appropriation increase.
- Action requires use of contingency or reserves.
- Business Plan: Action is within the plan. Action requires a change to plan.
- Other financial impact (Explain):
- Request provided to department's finance contact when provided to the Committee Coordinator.

Community Impact (use any categories that apply)

Neighborhood Notification: N/A

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: It complies.

Zoning Code: The property is zoned R2B. The current use complies with the existing zoning.

Background/Supporting Information

Hennepin County Taxpayer Services Department (TPS) assumed ownership of the property at 3358 Russell Avenue North through tax forfeiture in August 2003. TPS rehabilitated the property and has twice offered it for sale through auction in 2005 with no resulting purchase. In an attempt to dispose of subject property, Hennepin County entered into discussions with The City of Lakes Community Land Trust (CLCLT) about purchasing the property. The CLCLT's program is designed to afford eligible low income households an opportunity to homeownership. CLCLT retains ownership of the land to assure long term affordability. The land is leased to the home owner for 99 years.

In accordance with state statute, TPS can convey the property to a public entity, such as the Hennepin County Housing and Redevelopment Agency (HCHRA); however, the City of Minneapolis needs to authorize the HCHRA to perform such activity in the City of Minneapolis. On February 28, 2006, the HCHRA Board approved the conveyance by TPS to the HCHRA for sale to the CLCLT.

CPED supports and is recommending that the City of Minneapolis authorizes the Hennepin County HRA to work in the City of Minneapolis for the purpose of acting as a pass through for the sale of the fully rehabilitated structure located at 3358 Russell Avenue North to the CLCLT to provide a long term affordable home ownership opportunity in the City.

Resolution approving the acquisition and sale of tax-forfeited land.

Whereas, the Hennepin County Housing and Redevelopment Authority proposes to purchase tax-forfeited land located at 3358 Russell Avenue North in Minneapolis, Minnesota, and convey said land to City of Lakes Community Land Trust for the development of affordable single family housing (the "Project"); and

Whereas, Minnesota Statutes, Section 383B.77, Subd 3, requires that this City Council must approve a project undertaken by the Hennepin County Housing and Redevelopment Authority before such a project may be undertaken within this City; and

Whereas, it is deemed in the best interest of this community to approve the Hennepin County Housing and Redevelopment Authority's implementation of the Project as an approved project;

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

That pursuant to Minnesota Statutes, Section 383B.77, Subd 3, the City Council approves the Project and approves of the Project assistance to be provided by the Hennepin County Housing and Redevelopment Authority to facilitate the acquisition and redevelopment of the subject property, subject to the following requirements: That this City retains its jurisdiction over all issues of local concern relating to zoning, land usage, building code requirements and compliance with all applicable city codes and ordinances.