

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

April 4, 2006

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

**Subject:** Land Sale Public Hearing  
Vacant Housing Recycling Program

**Recommendation:**

1. Approve the sale of 3250 Lyndale Avenue North to Ms. Kaythwe Myint for \$22,500.00, subject to the following conditions; a) land sale closing must occur on or before 30 days from date of approval, and b) payment of holding costs of \$150.00 per month from the date of approval to the date of closing if land sale closing does not occur on or before 30 days from date of approval.
2. If Ms. Kaythwe Myint fails to close, approve the sale of 3250 Lyndale Avenue North to Nyberg Builders, Inc. for \$22,500.00, subject to the following conditions; a) land sale must occur on or before 30 days from date of CPED notification, and b) payment of holding costs of \$150.00 per month from the date of notification to the date of closing if land sale closing does not occur on or before 30 days from the date of CPED notification.

The sale conditions may be waived or amended with approval of the CPED Director.

**Previous Directives:** CPED acquired 3250 Lyndale Avenue North on June 29, 1998.

**Prepared or Submitted by:** William Koncak, Senior Project Coordinator  
Phone 612-673-5233

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

**Permanent Review Committee (PRC)** Approval \_\_\_\_\_ Not Applicable  X

**Policy Review Group (PRG)** Approval \_\_\_ Date of Approval \_\_\_ Not Applicable  X

**Presenters in Committee:** William Koncak, 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): Eliminate property management costs.
- Request provided to department's finance contact when provided to the Committee Coordinator.

**Community Impact (use any categories that apply)**

**Ward: 3**

**Neighborhood Notification:** McKinley Community reviewed this proposal and **recommended it be sold to Ms. Kaythwe Myint.**

**City Goals:** Foster the development and preservation of a mix of quality housing types that is affordable, meets current needs, and promotes future growth.

**Comprehensive Plan:** The land sale has been reviewed by the Planning Commission for consistency with the Comprehensive Plan on March 27, 2006.

**Zoning Code: R2B**

**Other:** Planning staff has reviewed and agrees with proposed development.

**Background/Supporting Information Attached**

<u>PARCEL</u>	<u>ADDRESS</u>	<u>SALE PRICE</u>
McK 37-2	3250 Lyndale Avenue North	\$22,500.00

**PURCHASER**

Ms. Kaythwe Myint  
1868 Wilson Avenue  
St. Paul, Minnesota, 55119

**ALTERNATE PURCHASER**

Nyberg Builders, Inc.  
6124 Fremont Avenue North  
Brooklyn Center, Minnesota, 55430

### **PROPOSED DEVELOPMENT:**

Ms. Kaythwe Myint through her builder, Flour City Inc., plans to build a two story, single family home with four bedrooms, three bathrooms, for a total of 2,000 square feet of finished space. There will be a detached two car garage.

Nyberg Builders, Inc. proposed to build a two story, single family home with three bedrooms, two and one half bathrooms and a total of 1,520 square feet of finished space. Their plan also proposes an attached two car garage.

The lot size is 92'x107' for a total of 9,844 square feet.

### **LAND DISPOSITION POLICY:**

This property is a buildable lot as defined by City policy and is being sold for development of a single family home.

### **FINANCING\*:**

Developer has private financing.

\*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 McKinley Neighborhood in their review of the two proposed single family developments recommended the development by Ms. Myint. They felt that Ms. Myint's proposed house design fits more visually with the adjacent homes. Staff has suggested and Ms. Myint has agreed to center the home on the lot as it faces Lyndale Avenue which is not what she originally proposed.

It should be noted that while this lot is 92 feet wide on Lyndale Avenue, it is only 107 feet deep, with no alley access. Also, the adjacent home is set back 27 feet, therefore any development of this lot that would be in alignment with the immediate homes, leaves a small area for development.

**Authorizing sale of land**  
**Vacant Housing Recycling Program**  
**Disposition Parcel No. McK 37-2**

Whereas, the City of Minneapolis, hereinafter known as the City, has received an offer to purchase and develop disposition Parcel McK 37-2, in the McKinley neighborhood, from Kaythwe Myint, hereinafter known as the Redeveloper and another offer to purchase and develop Parcel McK 37-2, from Nyberg Builders, Inc. hereinafter known as the Alternate Redeveloper, the Parcel McK 37-2, being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

**LEGAL DESCRIPTION**

**McK 37-2: 3250 Lyndale Avenue North**

The West 107 feet of Lots 13 and 14, Block 33, Baker's 4<sup>th</sup> Addition to Minneapolis.

Whereas, the Redeveloper has offered to pay the sum of \$22,500.00, for Parcel McK 37-2 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 Alternate Redeveloper has offered to pay the sum of \$22,500.00 for Parcel McK 37-2 to the City for the land, and the Alternate Redeveloper's proposal is in accordance with the applicable Redevelopment Plan and/or Program; and

Whereas, both the Redeveloper and the Alternate Redeveloper have submitted to the City statements 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 Parcel; and

Whereas, pursuant to due notice thereof published in *Finance and Commerce* on March 24, 2006, a public hearing on the proposed sale was duly held on April 4, 2006, 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 Vacant Housing Recycling Program plan, as amended, is hereby estimated to be the sum of \$22,500.00 for Parcel McK 37-2.

Be It Further Resolved that the acceptance of the offers and proposals are both hereby determined to be in accordance with the City's approved disposition policy and it is further determined that both the Redeveloper and the Alternate Redeveloper possess the qualifications and financial resources necessary to acquire and develop the parcel in accordance with the Redevelopment Plan and/or Program, but that the City prefers the Redeveloper's proposal over the Alternate Redeveloper's proposal.

Be It Further Resolved that the Redeveloper's proposal is hereby accepted, subject to the execution of a contract for the sale of land and further subject to the following conditions; 1) land sale closing must occur on or before 30 days from the date this Resolution is approved by the City and 2) payment of holding costs of \$150.00 per month from the date of approval of this Resolution if the land sale closing does not occur on or before 30 days from the date of approval.

Be It Further Resolved that if and only if Redeveloper fails to close on the land sale pursuant to the conditions described above, the Alternate Redeveloper's proposal is hereby accepted, subject to the execution of a contract for the sale of land and further subject to the following conditions; 1) land sale closing must occur on or before 30 days from the date of City notification to the Alternate Redeveloper and 2) payment of holding costs of \$150.00 per month from the date of notification if the land sale

closing does not occur on or before 30 days from the date of City notification to the Alternate Redeveloper.

Be It Further Resolved that the sale conditions described above may be waived or amended with the approval of the CPED Director. Furthermore, that the Finance Officer or other appropriate official of the City is hereby authorized consistent with the terms herein to execute and deliver the contract to the Redeveloper or Alternate Redeveloper, as appropriate; 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 consistent with the terms herein to execute and deliver a conveyance of the land to the Redeveloper or the Alternate Redeveloper as appropriate 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.