



**Request for MCDA Board of Commissioners Action  
From the Department of Community Planning & Economic Development**

**Date:** May 4<sup>th</sup>, 2004

**To:** MCDA Board of Commissioners

**Prepared by:** Bill Koncak, Project Coordinator III-Housing, Phone 612-673-5233

**Presenter in**

**Committee:** Bill Koncak, Project Coordinator III-Housing

**Approved by:** Chuck Lutz, Deputy CPED Director \_\_\_\_\_

Lee Pao Xiong, Director, Housing \_\_\_\_\_

**Subject:** Land Sale – Public Hearing  
HOME Program

**RECOMMENDATION:** Approve the sale of 3235 Fremont Avenue North to Angela N. Wilson for \$141,750.

**Previous Directives:** The MCDA acquired 3235 Fremont Avenue North on May 15, 2000.

**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**

**Ward:** 4

**Neighborhood Notification:** Folwell Neighborhood Association reviewed this proposal on April 10, 2000, and recommended it be approved.

**City Goals:**

**Comprehensive Plan:** This rehabilitation is consistent with the Comprehensive Plan as shown on the Land Use Map and in conformance with the Neighborhood Housing Recycling Program and the HOME program relating to this community.

**Zoning Code:** R2B

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

**Background/Supporting Information**

<u>PARCEL</u>	<u>ADDRESS</u>	<u>SALE PRICE</u>
HOME-39	3235 Fremont Avenue North	\$141,750

**PURCHASER**

Angela N. Wilson  
2605-8th Avenue North  
Minneapolis, MN 55411

**PROPOSED DEVELOPMENT:**

The lot size is 45' x 127.22 = 5,724 total square feet.

**LAND DISPOSITION POLICY:**

This property has an existing renovated structure on a lot that would be defined by MCDA policy and meets HOW guidelines for development.

**FINANCING\*:**

\$140,750	American Frontier Mortgage Corporation
\$ 1,000	Owner's Cash down payment
\$141,750	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:**

This single-family residence was a vacant property acquired from HUD and placed into the Home Ownership Works (HOW) program. The HOW program is a federally funded program for the renovation of single family homes that are sold to first time home buyer, with a family income of 80% or less than the Metropolitan Median Income (MMI). The HOW program guidelines for the houses purchased, require that the final subsidy paid

by HUD not exceed \$65,000 per structure, without City Council approval. This subsidy is the acquisition price plus the cost of renovation minus the sales price, which must not exceed \$65,000. Ms. Wilson has two dependants and she has completed the pre-purchase workshop sponsored by Home Stretch and is scheduled to attend the Property Maintenance workshop sponsored by Northside Neighborhood Housing Services before closing. The buyer anticipates closing in June 2004. No other offers were received on this property.



# RESOLUTION

of the

## MINNEAPOLIS COMMUNITY DEVELOPMENT AGENCY

By \_\_\_\_\_

Authorizing Sale of Land  
HOME Program  
Disposition Parcel No. HOME-39

**WHEREAS**, the Minneapolis Community Development Agency, hereinafter known as the Agency, has received an offer to purchase and develop Disposition Parcel HOME-39 in the Folwell neighborhood, from Angela N. Wilson, hereinafter known as the Redeveloper, the Parcel HOME-39, being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

### LEGAL DESCRIPTION

Lot 5, Block 6, Silver Lake Addition to Minneapolis.

**WHEREAS**, the Redeveloper has offered to pay the sum of \$141,750, for Parcel HOME-39; the offer includes a development plan and commitment to improve by rehabilitating the existing structure. This offer is in accordance with the Redevelopment Plan and/or Program; and

**WHEREAS**, the Redeveloper has submitted to the Agency a statement of financial responsibility and qualifications; and

**WHEREAS**, the Agency 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 Agency in determining a re-use value for the Parcel; and

**WHEREAS**, pursuant to due notice thereof published in *Finance and Commerce* on Friday, April 23, 2004, a public hearing on the proposed sale was duly held on May 4, 2004, 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**, that the re-use value, for uses in accordance with the HOME Program plan, as amended, is hereby estimated to be the sum of \$141,750, for Parcel HOME-39; and

**BE IT FURTHER RESOLVED**, that the acceptance of the offer and proposal is hereby determined to be in accordance with the Agency's approved disposition program and it is further determined that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the Parcel in accordance with the Redevelopment Plan and/or Program; and

**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 Executive Director or other appropriate official of the Agency be and 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 Executive Director or other appropriate official of the Agency; and

**BE IT ALSO FURTHER RESOLVED**, that the Chairman and Secretary, or any other two Commissioners of the Agency, are 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 Agency 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 Chairman and Secretary, or any other two Commissioners of the Agency.

RECORD OF COMMISSIONER VOTE													
Commissioner	Aye	Nay	NV	Abs	Ovrd	Sust	Commissioner	Aye	Nay	NV	Abs	Ovrd	Sust
Benson							Ostrow						
Colvin Roy							Samuels						
Johnson							Schiff						
Johnson Lee							Zerby						
Lane							Zimmermann						
Lilligren							Goodman,						
Niziolek							chair						
Vote: NV - Not Voting      Abs - Absent      Ovrd - Vote to Override      Sust - Vote to Sustain													

**ADOPTED** \_\_\_\_\_.

\_\_\_\_\_ **Chairperson**

**APPROVED**  
**NOT APPROVED** \_\_\_\_\_.

\_\_\_\_\_ **Mayor**

Address: 3235 Fremont Avenue North  
Parcel: HOME-39  
Purchaser: Angela N. Wilson  
Sq. Footage: 5,722  
Zoning: R2B

# WARD 4

