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

Date: May 18, 2004

To: MCDA Board of Commissioners

Prepared by: Bill Koncak, Project Coordinator, Housing; Phone 612-673-5233
Presenter in Committee: Bill Koncak, Project Coordinator, 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 1915 Queen Avenue North to Anne Hickman for $145,000.

Previous Directives: The MCDA acquired 1915 Queen Avenue North on 12/22/99.

Financial Impact (Check those that apply)

_x_ 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
_x_ Other financial impact (Explain): Eliminate property management costs.
___Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact

Ward: 5

Neighborhood Notification: The Northside Residents Redevelopment Council reviewed the original acquisition and renovations of this property on May 10, 1999, 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: This rehabilitation is consistent with the Comprehensive Plan as shown on the Land Use Map and in conformance with the Neighborhood Housing Recycling Program (aka HOW) and the HOME program relating to this community.

Zoning Code: R1A

Living Wage/Job Linkage: N/A

Background/Supporting Information

PARCEL	ADDRESS	SALE PRICE
DF-2 (HOME)	1915 Queen Avenue North	$145,000

PURCHASER
Anne Hickman
2608 Pillsbury Avenue South, #1
Minneapolis, MN 55408

PROPOSED DEVELOPMENT:

The lot size is 40' x 128' = 5,120 total square feet.

LAND DISPOSITION POLICY:
This property is a buildable lot as defined by MCDA policy and is being sold for development.

FINANCING*:

$127,000	Apollo Home Mortgage
1,000	Owner's Cash down payment
$ 17,000	HOW 2nd Mortgage
$145,000	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 buyer is scheduled to attend the Pre-Purchase Homeownership Counseling Series through PRG and also the Home Maintenance workshop through Northside Neighborhood Housing Services. The buyer anticipates closing the end of June, 2004. The number of people occupying this property complies with program guidelines. No other offers were received for this property.

RESOLUTION

of the

MINNEAPOLIS COMMUNITY DEVELOPMENT AGENCY

By _____

Authorizing Sale of Land
HOME Program
Disposition Parcel No. DF-2 (HOME)

WHEREAS, the Minneapolis Community Development Agency, hereinafter known as the Agency, has received an offer to purchase and develop Disposition Parcel DF-2 (HOME) in the Willard-Homewood neighborhood, from Anne Hickman, hereinafter known as the Redeveloper, the Parcel DF-2 (HOME), being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

LEGAL DESCRIPTION

Lot 12, Block 2, Nichols-Frissell Co.'s Shady Oaks Addition to Minneapolis.

Being registered land as is evidenced by Certificate of Title No. 1040136.

WHEREAS, the Redeveloper has offered to pay the sum of $145,000, for Parcel DF-2 (HOME); 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, May 7, 2004, a public hearing on the proposed sale was duly held on May 18, 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 $145,000, for Parcel DF-2 (HOME) ; 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, chair**						
Niziolek													
Vote: NV - Not Voting Abs - Absent Ovrd - Vote to Override Sust - Vote to Sustain													

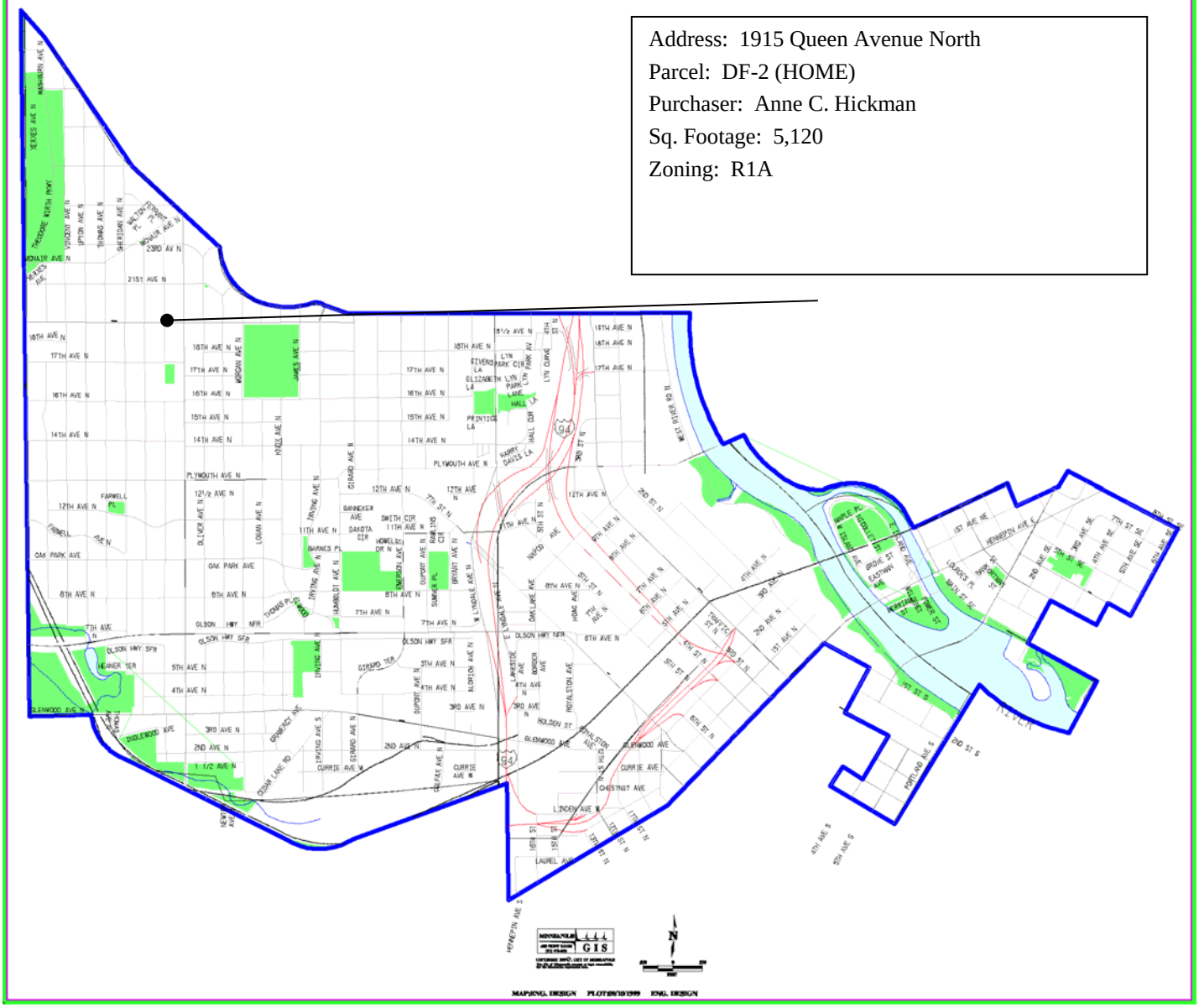
ADOPTED _____. _____

Chairperson

APPROVED
NOT APPROVED _____. _____.
VETOED

Mayor

Minneapolis Community Development Agency
Crown Roller Mill, 105 Fifth Ave. S.
Minneapolis, MN 55401

WARD 5

Address: 1915 Queen Avenue North
Parcel: DF-2 (HOME)
Purchaser: Anne C. Hickman
Sq. Footage: 5,120
Zoning: R1A