



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

Date: June 22, 2004

To: MCDA Board of Commissioners

Prepared by Tiffany Glasper, Project Coordinator III, Phone 612-673-5221  
Presenter in Committee: Tiffany Glasper, Project Coordinator III

Approved by Chuck Lutz, Deputy CPED Director \_\_\_\_\_  
Lee Pao Xiong, Director, Housing \_\_\_\_\_

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

**RECOMMENDATION:** Approve sale of 2112 25<sup>th</sup> Avenue North to John G. Hubbard II for \$19,200.

**Previous Directives:** MCDA acquired 2112 25<sup>th</sup> Avenue North on January 4, 1995.

**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): Sale of this parcel will eliminate future property management expenses.
- Request provided to the Budget Office when provided to the Committee Coordinator

**Community Impact**

**Ward:** 3

**Neighborhood Notification:** Jordan Area Community Council's Housing Committee reviewed the proposal presented by John G. Hubbard II on May 4, 2004 and recommended approval of that proposal.

**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:** Chapter 4, Section 4.9 states “Minneapolis will grow by increasing its supply of housing” and Section 4.11 states “Minneapolis will improve the availability of housing options for its residents.” Also this area is designated for low density housing in accordance with the Land Use Policy Map.

**Zoning Code:** Complies. 2112 25th Avenue North is zoned R2B.

**Living Wage/Job Linkage:** NA

**Other:** None

**BACKGROUND/SUPPORTING INFORMATION:**

**PARCEL**

TF-173

**ADDRESS**

2112 25th Avenue North

**SALE PRICE**

\$19,200

**PURCHASER**

John G. Hubbard II

P.O. Box 14412

Minneapolis, MN 55414

MCDA acquired 2112 25th Avenue North from Hennepin County via tax forfeiture on January 4, 1995. The parcel contained a vacant and blighted duplex. The lot size is 45' x 125' = 5,625 sq. ft.

**PROPOSED DEVELOPMENT:**

**John G. Hubbard II in partnership with HomeWorx Partners, Inc.** is proposing construction of a one and one-half story, split level single family home with a detached, two-car garage. The home will contain three bedrooms, two bathrooms and a total of approximately 1,900 sq. ft. of finished living space. They have estimated the home's value upon completion at \$202,000 and it will be occupied by John Hubbard II.

**LAND DISPOSITION POLICY:**

This lot is buildable as defined by CPED's policy.

**FINANCING:**

John Hubbard II has demonstrated sufficient financing for the proposed new construction project. The developer has submitted a financing approval letter from First Federal Bank.

**OFFERING PROCEDURE:**

Public advertisement. The sale price reflects the appraised reuse value for this parcel.

**COMMENTS:**

2112 25th Avenue North has been available to the public via our web site since December 1999.

CPED staff received a development proposal from John G. Hubbard II for the redevelopment of 2112 25th Avenue North. There were no competing proposals.

John G. Hubbard II is a private individual working in partnership with HomeWorx Partners, Inc. HomeWorx Partners, Inc. is a corporate entity and licensed residential building contractor. HomeWorx Partners, Inc. operates as a building specialist providing non-professionals with a variety of resources and assistance to guide them in becoming their own general contractor. They provide professional services in the areas of drafting/design, plan creation, pricing, financing, framing, siding, roofing, etc. HomeWorx Partners, Inc. provides a 10-year structural warranty on all framing construction elements. Mr. Hubbard will be acting as his own general contractor, providing sweat equity and intends to be the owner-occupant upon completion.

CPED/MCDA has worked successfully with HomeWorx Partners, Inc. on previous new construction projects at 1312 Oliver Avenue North, 2111 Dupont Avenue North and 3533 3<sup>rd</sup> Avenue South.

John Hubbard II and representatives from HomeWorx Partners, Inc. presented their proposal at the May 4, 2004 meeting of the Jordan Area Community Council's Housing Committee. Members of JACC's Housing Committee recommended approval of John Hubbard's proposal.

At the May 4, 2004 meeting of JACC's Housing Committee the issue of additional and/or larger windows was discussed. Members of the Housing Committee did not insist on any changes, but did suggest replacing the single master bedroom window on the left elevation with two larger windows. Both Mr. Hubbard and representatives from HomeWorx Partners, Inc. were very receptive to these suggestions.

CPED staff conducted a formal professional review of the proposal and supports the neighborhood's recommendation. Staff recommends the sale of 2112 25th Avenue North to John G. Hubbard II.



# RESOLUTION

of the

## MINNEAPOLIS COMMUNITY DEVELOPMENT AGENCY

By \_\_\_\_\_

Authorizing Sale of Land  
Vacant Housing Recycling Program-Jordan  
Disposition Parcel No. TF-173

**WHEREAS**, the Minneapolis Community Development Agency, hereinafter known as the Agency, has received an offer to purchase and develop Disposition Parcel TF-173, in the Jordan neighborhood, from John G. Hubbard II, in partnership with HomeWorx Partners Inc. hereinafter known as the Redeveloper, the Parcel TF-173, being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

### LEGAL DESCRIPTION

Lot 16, Block 5, Forest Heights, Minneapolis, Minnesota.

Being registered land as is evidenced by Certificate of Title # 827567.

**WHEREAS**, the Redeveloper has offered to pay the sum of \$19,200, for Parcel TF-173 to the Agency for the land, and the Redeveloper's proposal is in accordance with the applicable 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 June 11, 2004, a public hearing on the proposed sale was duly held on June 22, 2004, following 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***, that the re-use value for uses in accordance with the Vacant Housing Recycling Program-Jordan plan, as amended, is hereby estimated to be the sum of \$19,200 for Parcel TF-173, 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 the same 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** \_\_\_\_\_ \_\_\_\_\_  
**VETOED** **Mayor**

May 11, 2004

Tiffany Glasper, Project Coordinator  
Single Family Housing Development  
Community Planning and Economic Development  
105 5th Avenue South  
Minneapolis, MN 55401

Re: Recommendations for lot purchases

On May 4, 2004, the Housing Committee, which has been empowered by the Board of Directors of the Jordan Area Community Council (JACC) to make decisions and recommendations on its behalf in matters of Housing met and passed a motion to support the following recommendation regarding approval of purchases of vacant lots presented on at the May 4<sup>th</sup> meeting:

1. 2112 25th Avenue North-John Hubbarb (no competing offers)
2. 2721 Humboldt Avenue North-Renewed Dwellings, Larry Carlson (no competing offers)

Please feel free to contact me with any questions.

Sincerely,

Jonathan Palmer  
Executive Director