

**City of Minneapolis
Request for Committee Action**

To: Community Development & Regulatory Services
Date: 8/23/2016
Referral: N/A
From: Community Planning & Economic Development
Lead Staff: Earl S. Pettiford, Senior Project Coordinator, 5231
Presented by: Earl S. Pettiford , Senior Project Coordinator, 5231
File type: Resolution
Subcategory: Land Sale

Subject:

Land Sale: 4611 Colfax Ave. N. to MSP Enterprises, L.L.C.

Description:

Passage of a Resolution approving the sale of the property at 4611 Colfax Ave. N., VH-609, to MSP Enterprises, L.L.C. for \$5,000, subject to conditions.

Previous Actions:

On December 11, 2015, the City Council approved the Vacant Housing Recycling Program that defines the program guidelines for disposition of vacant buildings and lots for housing development. ([15-01481](#))

Ward /Address:

Ward 4
4611 Colfax Ave. N.

Background/Analysis:

<u>PARCEL</u>	<u>ADDRESS</u>	<u>SALE PRICE</u>
VH-609	4611 Colfax Ave. N.	\$5,000

PURCHASER

MSP Enterprises, L.L.C.
2200 Old Hwy 8
New Brighton, MN 55112

PROPOSED DEVELOPMENT:

MSP Enterprises, L.L.C. proposes to build a 1064 square foot, three-bedroom, two-bath, single family home with a two-car, detached garage.

The lot size is 40' x 126' = approximately 5,078 total square feet.

LAND DISPOSITION POLICY:

The sale of this property is in compliance with the City's Disposition Policy. The sales price of this property reflects the full re-use value.

FINANCING*:

Cash reserves--construction financing is from their operating capital.

*Subject to application and underwriting requirements.

COMMENTS:

On January 15, 2016, the City acquired this vacant lot from Greater Metropolitan Housing Corporation. The vacant parcel was subsequently publicly advertised on the City's website and through e-mail notification to a list of over 750 developers and homebuyers.

This is the only offer received for this property. The offer was evaluated based on program criteria stated in the VHRP manual, including: financial capacity, experience, responsibility, scope of work, and occupancy intentions.

MSP Enterprises, L.L.C. proposes to build a three-bedroom, two-bath single family home with a two-car detached garage. They have a purchase agreement with a buyer who will be the owner occupant of this property.

Notification was provided to the Lind–Bohanon neighborhood.

Financial Review:

No additional appropriation required, amount included in current budget.

- Elimination of future property management costs estimated at \$3,600 per year.
- Proposed Write-off (see attached table): \$601
- Proposed Re-Use Value Write-Down(see attached table): \$0

Future budget impact anticipated.

Approved by the Permanent Review Committee.

Meets Small and Underutilized Business Program goals.

Attachments:

1. 4611 Colfax Ave. N. Land Sale_Resolution
2. 4611 Colfax Ave N. Land Sale_Ward Map
3. 4611 Colfax Ave. N. Land Sale_Cost Sheet
4. 4611 Colfax Ave. N. Land Sale_Schematics