



## HOUSING AND REDEVELOPMENT AUTHORITY

### ADDENDUM

Tuesday, July 2, 2013

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#### Additional Item

1. Cons. Acquisition of Properties at 2285 Main Street, 2335 Main Street, and 2245 Main Street



## HRA Addendum

1.

**Meeting Date:** 07/02/2013

**Subject:** Consider Acquisition of Properties, 22xx, 23xx Main St.

**From:** Matt Brown, Community Development Specialist

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### INTRODUCTION

Staff requests feedback from the HRA on acquisition of three single-family properties on the 2200 and 2300 blocks of Main Street near Bison Creek Park.

### DISCUSSION

Two single-family properties adjacent to Bison Creek Park, 2285 Main Street and 2335 Main Street, went through foreclosure and were recently listed for sale. A third, 2245 Main Street, is also vacant and has a willing seller. All three of these properties are in generally poor condition and have generated code enforcement activity. Because City water and sewer is unavailable at this location, the properties rely on well and septic systems. The extension of public utilities to the properties was studied several years ago, but Council determined the costs to be excessive and opted not to extend the utilities. The septic system at one property, 2285 Main Street, has failed and would need to be replaced if the house is reoccupied. All three properties are guided "Park, Recreation, and Open Space" by the City's Comprehensive Plan and are currently zoned Conservancy District. Because residential uses are not permitted in the Conservancy District, these properties are considered nonconforming uses. Staff proposes acquiring and demolishing the properties and incorporating the land into the adjacent parkland. This would provide an opportunity to improve the trail system that currently dead ends in Bison Creek Park.

Staff recommends that the HRA direct staff to work with the Twin Cities Community Land Bank to negotiate purchases of the properties at 2285 and 2335 Main Street to expedite the process. The HRA has worked with the Land Bank over the last few years to acquire properties for the Scattered Site Acquisition Program. Because the HRA must react quickly when bank-owned properties become available, it is often difficult for Staff to use its conventional method of negotiating purchase agreements. The Land Bank negotiates directly with the seller with direction of Staff. The Land Bank then acquires the property from the bank and simultaneously sells it to the HRA. Staff proposes that the HRA direct Staff to negotiate purchases with a sale price of no more than \$100,000 per property. The property at 2285 Main Street is currently listed at \$154,900 and 2235 Main Street is listed at \$104,900. Because the property at 2245 Main Street is not bank-owned, Staff can more easily negotiate a purchase agreement. Provided Staff is successful in negotiating purchase agreements for the properties, the HRA will be asked to consider the individual purchase agreements at a future meeting.

### RECOMMENDATION

Staff recommends that the HRA direct staff to work with the Twin Cities Community Land Bank to negotiate purchases of the properties at 2285 Main Street and 2335 Main Street and work with the seller of 2245 Main Street to negotiate a purchase agreement. The HRA will consider the purchase agreements at a future meeting.

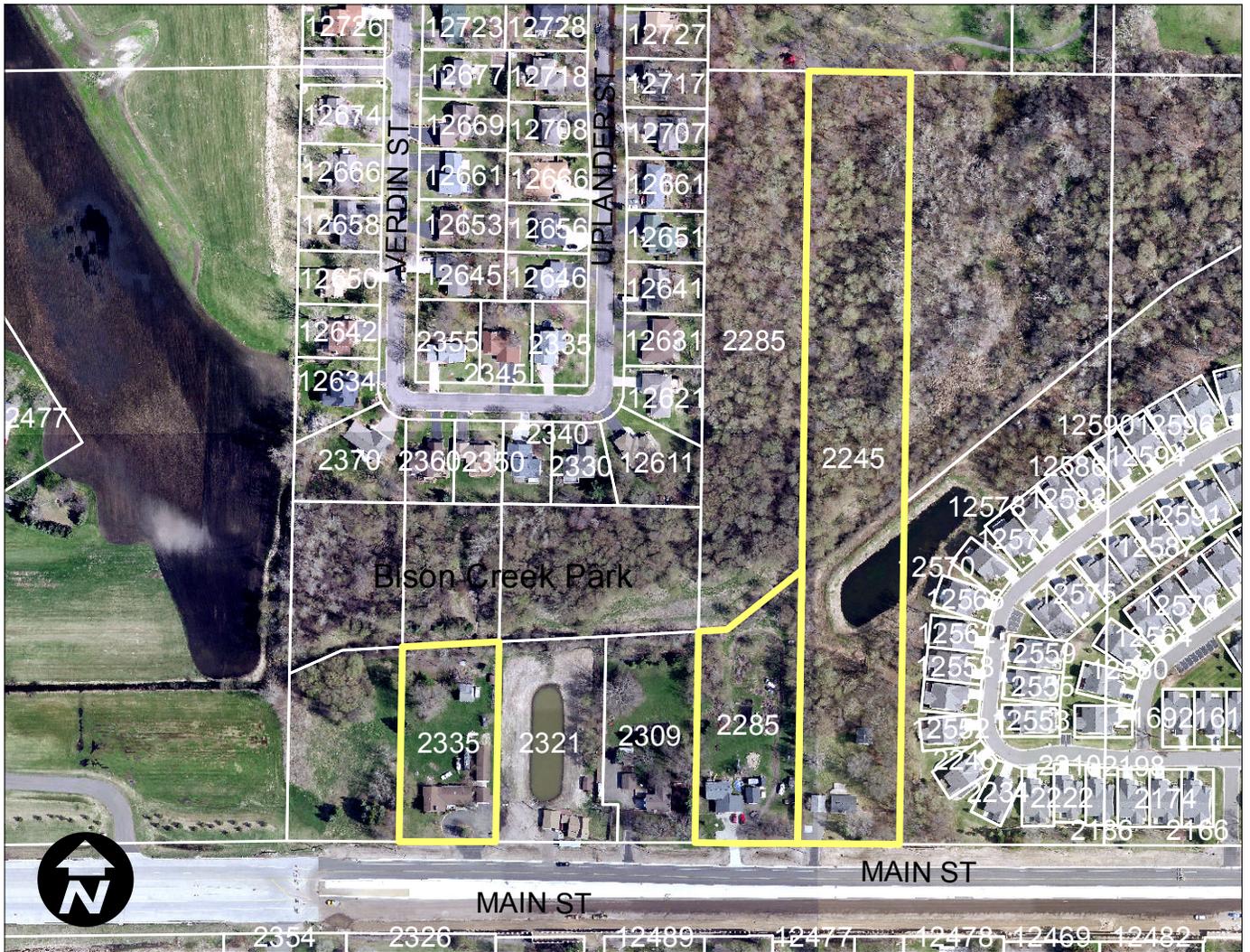
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### Attachments

Location Map

## Photos

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2245, 2285, and  
2335 Main St.





2245 Main St.



2285 Main St.



2335 Main St.