

RESOLUTION NO. 2017—003
HOUSING AND REDEVELOPMENT AUTHORITY

**RESOLUTION APPROVING THE CONVEYANCE OF FORMER CANNON RIVER
COMMUNITY LAND TRUST PROPERTY AND TERMINATION OF GROUND LEASE.**

WHEREAS, the City of Northfield Housing and Redevelopment Authority (the “HRA”) desires to sell and convey its interest in certain real property located at 101 Orchard Street North, Northfield, Minnesota (Lot 2, Block 1, in FOX’s 2ND ADDITION) (the “Property”), to David A. Foster and Nancy L. Foster, a married couple (the “Homeowners”); and

WHEREAS, the HRA originally conveyed the Property to the Cannon River Community Land Trust (“CRCLT”) on July 2, 2003, for the purpose of allowing CRCLT to lease the Property to qualifying third parties for residential use from time to time and ultimately to sell the Property to such a third party; and

WHEREAS, CRCLT conveyed title to the building and improvements on the Property to Michael G. Mihelich by Warranty Deed dated July 9, 2003, but retained title to the land on which the building and improvements were constructed on the Property, and further entered into a ground lease with the Homeowners of the same date pursuant to which CRCLT leased the Property to the Homeowners (the “lease”); and

WHEREAS, Michael G. Mihelich conveyed title to the building and improvements on the Property back to CRCLT by Warranty Deed dated June 29, 2006, and thereafter CRCLT conveyed title to the building and improvements on the Property to the Homeowners by Warranty Deed dated November 8, 2006; and

WHEREAS, CRCLT was voluntarily dissolved, and in conjunction with its dissolution conveyed its interest in the Property back to the HRA by Quit Claim Deed dated April 1, 2013, and assigned its interest in the lease to the HRA on the same date; and

WHEREAS, the HRA is authorized to “sell, transfer, convey, or otherwise dispose of real or personal property or any interest therein and execute leases, deeds, conveyances, negotiable instruments, purchase agreements, and other contracts or instruments” pursuant to Minnesota Statutes, Section 469.012, Subdivision 1e; and

WHEREAS, the HRA finds and determines that it is consistent with the intent of the original conveyance of the Property to CRCLT and the purposes of the land trust program for the HRA to sell its interest in the Property to the Homeowners for \$20,000.00, which price the HRA finds an acceptable compromise between the value indicated in an independent appraisal of the Property and the price for which the HRA sold the neighboring property in 2016 (in both cases not including the value of the improvements thereon owned by the Homeowners); and

WHEREAS, Minnesota Statutes, Section 462.356, subdivision 2, states that no publicly owned interest in real property within a city shall be acquired or disposed of until after the planning commission has reviewed the proposed acquisition or disposal and reported in writing to

the city council its findings as to compliance of the proposed acquisition or disposal with the comprehensive plan; and

WHEREAS, the same statute further states, however, that the governing body may, by resolution adopted by two-thirds vote, dispense with the requirements of this subdivision when in its judgment it finds that the acquisition or disposal of real property has no relationship to the comprehensive plan.

NOW THEREFORE BE IT RESOLVED that the Northfield Housing and Redevelopment Authority hereby finds that the conveyance of the Property to the Homeowners has no relationship to the City's Comprehensive Plan, and therefore review of the proposed grant/acquisition by the Northfield Planning Commission is not required under Minn. Stat. § 462.356, Subd. 2, and is hereby dispensed with as allowed by that statute.

NOW THEREFORE BE IT FURTHER RESOLVED that the Northfield Housing and Redevelopment Authority hereby approves the attached purchase agreement, quit claim deed and termination of lease agreement with the Homeowners as to form and authorizes and directs its Chairperson and Secretary to execute the same and such other documentation as necessary to accomplish the sale and conveyance of the Property to the Homeowners, and to require the Homeowners to record such executed deed and such other documentation following closing with the Rice County Recorder's Office and pay such related fees.

PASSED by the Housing and Redevelopment Authority of the City of Northfield this ____ day of _____, 2017.

Dayna Norvold, Chairperson

Jayne Hager Dee, Secretary

VOTE: ____ NORVOLD ____ HAGER DEE ____ FINK ____ VOHS ____ ZWEIFEL