

Herringer asked who would be establishing the sales price. Clark responded that we did establish a preliminary price for four of the lots, but that is something that will be discussed further based on information on current market rates.

Nawrocki asked if we would just be marketing the four best lots. Clark said that all of them will be marketed if they decide to move forward with this plan.

Motion by Schmitt, seconded by Diehm, to authorize staff to schedule interviews for the January 2013 EDA meeting with Bruce Magnuson, Edina Realty; Eric Young, Edina Realty/Young Real Estate Inc.; and Chris Kimball, Best Value Real Estate Inc. All ayes. MOTION PASSED.

6. Consider Donation of 666 40th Avenue Property

Cartney told members that in late 2008 the Mayor received a letter from Michael Thoennes, property owner of 666 40th inquiring if the City would be interested in receiving this property as a donation. Since receipt of that letter (enclosed in the packet) staff has worked with Thoennes' attorney Charles Pashke on obtaining ownership documents. It wasn't until September 2012 that those documents were presented to staff. The property is zoned Limited Business and is vacant.

In August 2011, Fire Department staff secured the property as it had been broken into and revealed that water was turned on and flooded the basement. The Building Official posted the property as hazardous in September 2011. In the meantime the subject property has continued to physically decline and staff recommends demolition. This property has historically been used as a "cut-through" to Huset Park, staff suggests that the city use this property as an informal access to the park once the demolition is complete.

This property was previously used as a dental laboratory; therefore staff recommends that before the EDA accept the donation, a pre-demolition survey be conducted on the site to see if there are any unforeseen contaminants. Staff also recommends using the City's attorney to draft the purchase agreement and the Quit Claim Deed.

It is anticipated that the survey and demolition work will cost approximately \$10,000.00 and will be funded through fund 376 (C8 TIF district)-the scattered site district.

Staff recommends the EDA accept the donation of 666 40th Ave as long as there are no major contaminants revealed in the pre-demolition survey.

Questions by members:

Peterson stated he was in favor of obtaining the property if no major contaminants are found.

Nawrocki asked how much the contamination survey would cost approximately. Cartney stated she thought it would be around \$500. He then discussed the lot size and how many lots this property actually is. Clark said it is a 50 foot parcel that may be two platted lots that were combined long ago. There was a discussion about the future use of the property. It has been suggested to demolish the structure and allow it to be an informal access to the park for now. Public works is looking into the possibility of using the site as a ponding area. It will not be used as a residential building site as it is zoned Limited Business. Nawrocki stated that properties on either side of this site are residential sites and this could be re-zoned to allow that. Cartney stated that all the properties along this part of 40th Avenue are zoned Limited Business and that the use as residential homes is a legally non-conforming use.

Motion by Williams, seconded by Schmitt, to waive the reading of Resolution 2012-15, there being ample copies available to the public. All ayes. MOTION PASSED.

Motion by Williams, seconded by Schmitt, to approve resolution 2012-15 authorizing acceptance of the donation of the property located at 666 40th Avenue Northeast in the City of Columbia Heights; furthermore allowing the City Manager to enter into any agreements for the same. All ayes. MOTION PASSED.

**EDA RESOLUTION 2012-15
RESOLUTION AUTHORIZING THE ACCEPTANCE OF THE DONATION OF THE PROPERTY
LOCATED AT 666 40TH AVENUE NORTHEAST
IN THE CITY OF COLUMBIA HEIGHTS**

WHEREAS, the property owner Michael Thoennes desires to donate the property located in Columbia Heights at 666 40th Avenue, legal description of Lot 45 & 46 Columbia Heights Annex Subject to Easement of Record, Anoka County Minnesota; and

WHEREAS, the confirmation of the desire to donate the subject property has been received by the City in a letter dated December 23, 2008; and

WHEREAS, accepting the donation and removing the building is consistent with the EDA's 2011-2012 Goals and Work plan of Sustaining Residential neighborhoods; and

WHEREAS, the property will be used as an informal park access to Huset Park; and

WHEREAS, the EDA is recognizing the donation through a formal resolution; and

WHEREAS, Closing costs, demolition, and related costs shall be paid by fund 376.

NOW THEREFORE BE IT RESOLVED, that the EDA accepts the subject donation based on the following:

- 1) All utilities are paid by the subject property owner by the date of closing
- 2) The EDA will be responsible for any taxes due and payable in 2013 and beyond
- 3) The building shall be vacant upon closing
- 4) Staff is authorized to prepare bids and documents for the purpose of demolition of the subject property.

Passed this 5th day of November 2012