

Brooklyn Center

Was the project blighted? Mr. Vang acknowledged in his testimony in district court that his property was indeed "challenged property" and suffered from significant vacancies, and was in need of redevelopment. It was also acknowledged that the property was in need of environmental remediation (contaminated soils), title work, razing and other items prior to the property being redeveloped.

Were there attempts made by the city to help the property owner redevelop the property? Since the city was first approached in 2002 it has made every effort to encourage and help the property owner with redeveloping the property. The City's EDA spent over \$75,000 to complete market studies for the property owner to assist the owner in evaluating the property owner's re-development proposals. The city outlined three plans in which they would be willing to purchase the property, including one to re-convey to the property owner for development purposes and one to assist in a development at a different location; all were rejected. The property owner then approached the city with two housing proposals, both requiring significant public subsidies. The EDA afforded the owners the first opportunity to create and finance a redevelopment plan for the site.

Was condemnation necessary? The property owner's attorney told the EDA when it was considering a resolution authorizing eminent domain: "That they were not here to oppose the resolution (from the city to condemn) and felt that it was a step forward for both the city and the property owner." "It (the condemnation) is a step that is going to be necessary if this property is going to be redeveloped." Again he states, "We just wanted the opportunity to be here and say that we see this as a dual course and dual track that is being taken in connection with the condemnation being a necessary step and we want the Commission to be aware of the fact that Mr. Lee is very interested in and plans to become the developer of the property."

Did the property owner have his day in court? Yes, the district court found that, "The current condition of the properties located within the boundaries of the 57th and Logan Redevelopment Area consist of older, single story retail and service types of businesses which have become economically obsolescent and a blighting influence and which exhibit dilapidation, deferred maintenance, a layout that is not conducive to modern retail standards, excessive vacancy, and constitutes a blighting and negative influence upon the adjacent neighborhood." The property owner is currently appealing the district court's decision, which is absolutely within his right and already part of the extensive procedural process.

Approximate Public Monies Expended to Acquire, Prepare and Turn Over a Development Site to Date:

Total Acres 8.5

Acquisition of Property: \$3,475,000

Environmental Study and Cleanup: \$363,428

Market Studies: \$ 75,000

Demolition: \$425,000

Relocation: Tenants - \$200,000 / Owner - \$300,000

Total: \$4,838,428

Additional – Attorney's Fees, Staff Time and Any Award Above the Offer