



Request for City Council Committee Action from the Department of Community Planning and Economic Development

Date: January 17, 2012

To: Council Member Lisa Goodman, Chair, Community Development Committee
Council Member Betsy Hodges, Chair, Ways and Means/Budget Committee

Subject: Public Hearing and Approval of Modification No. 9 to the West Broadway Redevelopment Plan and Modification No. 118 to the Common Plan

Recommendation: Conduct a public hearing and adopt the attached resolution approving Modification No. 9 to the West Broadway Redevelopment Plan and Modification No. 118 to the Common Plan.

Previous Directives:

The original West Broadway Redevelopment Plan was approved by the City Council on August 31, 1973. The City Council approved eight subsequent modifications to the plan, most recently Modification No. 8, approved on August 14, 2009. The original Common Development and Redevelopment Plan and Common Tax Increment Financing Plan (the "Common Plan") was approved by the City Council on December 15, 1989. The City Council approved 117 subsequent modifications to the Common Plan, most recently Modification No. 117, approved on October 21, 2011.

Department Information

Prepared by: Beth Grosen, Senior Project Coordinator, 612-673-5002
Approved by: Cathy Polasky, Director, Economic Policy & Development _____
Charles T. Lutz, Deputy Executive Director _____
Presenters in Committee: Beth Grosen, Senior Project Coordinator

Financial Impact

- No financial impact

Community Impact

- Neighborhood Notification: On December 2, 2011, the Jordan Area Community Council and the Northside Residents Redevelopment Council were notified of the opportunity to review and comment on the proposed plan modifications. Several community meetings have been held since then.
- Goals: Jobs & Economic Vitality; Livable Communities, Healthy Lives
- Sustainability Target: A Vital Community
- Comprehensive Plan: On December 15, 2011, the City Planning Commission Committee of the Whole found that the plan modifications are consistent with *The Minneapolis Plan for Sustainable Growth* and the *West Broadway Alive* small area plan. The City Planning Commission is expected to make its finding on January 9, 2012.

Supporting Information

Modification No. 9 to the West Broadway Redevelopment Plan and Modification No. 118 to the Common Development have been prepared to facilitate site assembly for the West Broadway Hub project, located on the block bounded by 21st Avenue North, Girard Avenue North, West Broadway Avenue and Irving Avenue North, within the West Broadway Redevelopment Project in North Minneapolis.

The plan modifications add 11 parcels to the list of properties that may be acquired and update the Land Use Map and land use provisions and requirements. The City owns a residential lot at 1307 21st Ave N (which is added to the Land Use Map under this modification), and pending future Council authorization, will be facilitating a pass-through sale of County tax forfeit property at 1400 West Broadway. Upon approval of these modifications, the City Council will consider the sale of both parcels to the developer at a future Council meeting.

The Hennepin County Northside Hub is part of a larger effort by Hennepin County to move the services now provided in its Century Plaza facility in Downtown to six locations across the county that are more accessible to constituents. The Hub will be developed by The Ackerberg Group and will be privately owned by a related development entity, WB Equities LLC, with Hennepin County as the sole tenant. Hennepin County will house approximately 200 employees in a new two-story structure of approximately 30,000 square feet. The Hennepin County Hub will provide adult and child social services to clients throughout North Minneapolis with much more convenient access than is currently available in the County's downtown service center. Some space may also be available for affiliated nonprofits to enhance customer service.

The Hub development will be located on the block immediately west of the new Minneapolis Public Schools headquarters. It will provide a high quality new commercial office building on a block currently occupied by vacant lots and structures of generally poor quality. Redevelopment of the site will increase annual property tax collection from approximately \$22,000 today to over \$150,000 when fully assessed.

The redevelopment of the properties will address environmental contamination in the soil (petroleum, lead and arsenic due to prior uses). The building design incorporates numerous green features. The building's street-focused design and the addition of hundreds of County staff and thousands of annual client visits will add vibrancy and presence to this critical commercial corridor.

Additional public input will be solicited by the developer in coming weeks. Staff anticipates that the land sales and gap financing recommendations will be submitted for Community Development Committee review on Feb 14 (contingent on approval of final land use applications), following approval of the lease by the Hennepin County Commission later this month. Consideration of final land use applications and an alley vacation by the Zoning and Planning Committee is expected in March.

A site plan and aerial view of the Hub project are included as Exhibit 3 to the attached Modification No. 9 to the West Broadway Redevelopment Plan.

Attachments: Modification No. 9 to the West Broadway Redevelopment Plan
Modification No. 118 to the Common Plan
City Council Resolution

**RESOLUTION
OF THE
CITY OF MINNEAPOLIS**

By Goodman and Hodges

Approving Modification No 9 to the West Broadway Redevelopment Plan and Modification No 118 to the Common Development and Redevelopment Plan and Common Tax Increment Financing Plan.

Resolved by the City Council of the City of Minneapolis:

Section 1. Recitals

1.1. Pursuant to Laws of Minnesota 2003, Chapter 127, Article 12, Sections 31-34, and Minneapolis Code of Ordinances, Chapter 415, the City of Minneapolis (the "City") acting by and through its department of Community Planning and Economic Development, has been granted the authority to propose and implement city development districts, housing and redevelopment projects and tax increment financing districts, all pursuant to Minnesota Statutes, Sections 469.001 through 469.134, and 469.174 through 469.179, as amended, and other laws enumerated therein (collectively, the "Project Laws").

1.2. By Resolution duly adopted on August 31, 1973, the City approved the West Broadway Redevelopment Plan, further modified by eight subsequent modifications, describing more precisely the Project Area, the activities to be undertaken and the property that may be acquired, all pursuant to the Project Laws.

1.3 By Resolution No 89R-530 duly adopted December 15, 1989 and approved December 21, 1989, the City approved the Common Development and Redevelopment Plan and Common Tax Increment Financing Plan (the "Common Plans"). The project area established by the West Broadway Redevelopment Plan (the "Project Area") is geographically located within the project area established by the Common Plans (the "Common Project").

1.4. It has been proposed and the City has prepared, and this Council has investigated the facts with respect to, Modification No 9 to the West Broadway Redevelopment Plan and Modification No 118 to the Common Plans (the "Modifications"), designating 11 parcels as property that may be acquired and updating the land use map, provisions and requirements.

1.5. The City has performed all actions required by law to be performed prior to the adoption of the Modifications, including, but not limited to, a review of the proposed Modifications by the affected neighborhood groups and the City Planning Commission, transmittal of the proposed Modifications to the Hennepin County Board of Commissioners and the Board of Special School District No 1 for review and comment, and the holding of a public hearing after published notice as required by law.

Section 2. Findings

2.1. The Council hereby finds, determines and declares that the actions authorized by the Modifications are pursuant to and in accordance with the Project Laws.

2.2 The Council further finds, determines and declares that the land in the Project Area would not be made available for redevelopment without the financial aid and public assistance to be sought.

2.3. The Council further finds, determines and declares that the Modifications will afford maximum opportunity, consistent with the sound needs of the city as a whole, for the redevelopment of the project area by private enterprise.

2.4. The Council further finds, determines and declares that the Modifications conform to the general plan for the development of the city as a whole. Written comments of the City Planning Commission with respect to the Modifications were issued, are incorporated herein by reference, and are on file in the office of the City Clerk.

2.5. The Council further finds, determines and declares that it is necessary and in the best interest of the City at this time to approve the Modifications.

Section 3. Approval of the Modifications

3.1. Based upon the findings set forth in Section 2 hereof, the Modifications presented to the Council on this date are hereby approved and shall be placed on file in the office of the City Clerk.

Section 4. Implementation of the Modifications

4.1. The officers and staff of the City, and the City's consultants and counsel, are authorized and directed to proceed with the implementation of the Modifications, and for this purpose to negotiate, draft, prepare and present to this Council for its consideration, as appropriate, all further modifications, resolutions, documents and contracts necessary for this purpose.