



Request for City Council Committee Action from the Department of Community Planning & Economic Development - CPED

Date: April 3, 2012

To: Council Member Lisa Goodman, Chair, Community Development Committee

Subject: Authorization to grant exclusive development rights to Tim Springer Properties, LLC

Recommendation: It is recommended that exclusive development rights be granted to Tim Springer Properties LLC for up to twelve months to formulate and begin implementation of a redevelopment plan of the property located at 2822 – 15th Ave. S.

Previous Directives: None

Department Information

Prepared by:	Edie Oliveto-Oates, Senior Project Coordinator, 612-673-5229
Approved by:	Charles T. Lutz, Interim CPED Director _____ Thomas A. Streitz, Director Housing Policy & Development _____
Presenters in Committee:	Edie Oliveto-Oates, Senior Project Coordinator

Financial Impact

- Other financial impact - Eliminates all future property management expenses

Community Impact

- Neighborhood Notification: Midtown Phillips was notified of this request on March 12, 2012.
- City Goals: A SAFE PLACE TO CALL HOME *Housing, Health and Safety*- In five years all Minneapolis residents will have a better quality of life and access to housing and services; residents will live in a healthy environment and benefit from healthy lifestyles; the city's infrastructure will be well-maintained and people will feel safe in the city.
- Comprehensive Plan: The development of these properties is consistent with The Midtown Greenway Land Use. As the project proceeds to development, additional review will be necessary to ensure consistency with the Comprehensive Plan and the Zoning Code.
- Zoning Code: Not Applicable
- Other: These properties are in the area covered by the *Midtown Greenway Land Use and Development Plan*. That plan calls for medium-density housing of 10-50 dwelling units per acre in what is referred to in the plan as a "Neighborhood Oriented" building form (townhouse or small apartment building).

Supporting Information

The City of Minneapolis was notified on October 24, 2011, by Hennepin County that certain properties located within the jurisdiction of the municipality had forfeited to the State of Minnesota for unpaid taxes. The property located at 2822 – 15th Ave. S. was included on that notification. During the City's due diligence process, staff learned that this property is located within the Midtown Greenway and that there was an interested party in developing the property. Subsequently, the property was placed on a six-month hold by the City Council. That hold expires on June 29, 2012.

A request has been received from Tim Springer Properties, LLC to provide 12-month exclusive development rights to allow for the completion of the planning and fundraising for this project. The developer will pay the cost for property management during the one year period, cost estimated at around \$1,500. Mr. Springer owns the adjacent property at 2818 – 15th Avenue South. He is proposing to combine the lots to develop up to 16 residential units of approximately 1,000 square feet per unit. He plans to construct sustainable units that are capable of being heated, cooled and supplied with electricity using only renewable energy sources. Mr. Springer has not yet finalized the following issues:

- Will these be rental or ownership units
- Will the units be affordable
- Secured funding for the project

Staff plans to acquire this under the deferred payment option of the existing memorandum of understanding with the County. This will afford the City the opportunity to withhold payment to the County until the developer secures financing and acquires the property from the City. Staff has reviewed this proposal and believes that it is creative and meets the intent of the *Midtown Greenway Land Use and Development Plan*; therefore, staff supports the request for exclusive development rights for one year to allow the developer to complete the planning and fundraising for the project.