



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

**Date:** July 10, 2012

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

**Subject:** Grant Exclusive Development Rights for CommonBond Communities for the West Broadway Curve Project

### **Recommendation:**

Grant Exclusive Development Rights for 12 months on ten (10) City-owned parcels located at 1926, 1930, 1936, 2000, 2004, 2006, 2010, 2014, 2018 and 2022 West Broadway Avenue.

### **Previous Directives:**

On February 10, 2012, the Minneapolis City Council approved an Affordable Housing Trust Fund award of up to \$750,000 for the CommonBond West Broadway Curve Affordable Housing Project. On March 8, 2012, the Minneapolis City Council approved a preliminary bond issuance of up to \$5.8 million for the CommonBond West Broadway Curve Affordable Housing Project.

### **Department Information**

<b>Prepared by:</b> Tiffany Glasper, Sr. Project Coordinator, 673-5221	
<b>Approved by:</b> Thomas Streit, Director, Housing Policy & Development	_____
Charles T. Lutz, CPED Deputy Director	_____
<b>Presenters in Committee:</b> Tiffany Glasper, Senior Project Coordinator	

### **Financial Impact**

- Other financial impact: The developer will pay for property management expenses during the holding period, thereby eliminating the City's cost.

### **Community Impact**

- Neighborhood Notification: The Jordan Area Community Council has been advised of this proposal by the proposing developer.
- City Goals: A Safe Place to Call Home; Jobs & Economic Vitality; Livable Communities, Healthy Lives
- Sustainability Targets: Affordable Housing

- Comprehensive Plan: Future redevelopment will comply with all applicable City approved plans
- Zoning Code: Will Comply

**Supporting Information**

<u>PARCEL</u>	<u>ADDRESS</u>	<u>PIN</u>
WB, 2-1	1926 West Broadway	16-029-24-23-0051
WB, 2-2	1930 West Broadway	16-029-24-23-0209
WB, 2-3	1936 West Broadway	16-029-24-23-0054
WB, 2-4	2000 West Broadway	16-029-24-23-0055
WB, 2-5	2004 West Broadway	16-029-24-23-0057
WB, 2-6	2006 West Broadway	16-029-24-23-0056
WB, 2-7	2010 West Broadway	16-029-24-23-0058
TF, 408	2014 West Broadway	16-029-24-23-0059
TF, 448	2018 West Broadway	16-029-24-23-0060
WB, 2-10	2022 West Broadway	16-029-24-23-0206

The properties at 1930, 1936, 2000, 2004, 2006 and 2010 West Broadway were purchased in late 2009 from Holding Forth the Word of Life Ministries for a total of \$380,000. At the time of acquisition, the properties were vacant land save for the parcel at 2010 West Broadway, which contained a blighted multi-unit building.

The property at 1926 West Broadway was purchased in April 1998 for \$6,500. At the time of acquisition, the property contained a blighted residential structure.

The properties at 2014 and 2018 West Broadway were purchased in July 1998 and January 1999, respectively. Each was purchased for \$1 via tax forfeiture from Hennepin County.

The property at 2022 West Broadway was purchased from Lambert Motz on April 2, 2008 for \$105,000. At the time of acquisition, the property contained a blighted commercial building.

CommonBond Communities is proposing 53 units of mixed-income rental housing with an associated pocket park, public plaza and underground parking. The project has already received approval for \$750,000 in Affordable Housing Trust Funds, \$5.8 million in Housing Revenue Bonds as well as other non-City sources of funds.

This development would take currently underutilized parcels and put them back onto the City tax rolls. Their proposal is also in line with the City's comprehensive plan and the West Broadway Alive! Small Area Plan.

There has been significant population loss on the Northside over the last several years. Increased housing density and more quality housing options will be a positive draw which will also facilitate the future success of the business districts.

CommonBond Communities is requesting and we are recommending the granting of exclusive development rights for the properties aforementioned in this report for a period of 12 months. CommonBond will pay holding costs of \$2,000 per lot for the 12-month period.