



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

Date: February 12, 2013

To: Council Member Lisa Goodman, Community Development Committee

Referral to: Council Member Betsy Hodges, Ways and Means/Budget Committee

**Subject: 2012 Round 2 Metropolitan Council Livable Communities
Demonstration Account TOD Grants and Tax Base Revitalization
Account Contamination Cleanup TOD Grants**

Recommendation:

1. Accept and appropriate Metropolitan Council Livable Communities Demonstration Account (LCDA) TOD grants of \$993,229 for Currie Park Lofts, \$505,000 for Corcoran Triangle, and \$1,000,000 for Mill City Quarter.
2. Accept and appropriate Metropolitan Council Tax Base Revitalization Account Contamination Cleanup (TBRA) TOD grants of \$1,000,000 for Mill City Quarter and \$548,500 for Junction Flats.
3. a) Amend the 2013 General Appropriation Resolution by increasing the Community Planning & Economic Development Agency Fund 01600–Other Grants-State and Local (01600-8900220) by \$2,046,729 and b) Amend the 2013 General Appropriation Resolution by increasing the Community Planning & Economic Development Agency Fund 01600–Other Grants-State and Local (01600-8900230) by \$2,000,000.
4. Increase the 2013 Revenue Budget for the Community Planning & Economic Development Agency Fund 01600–Other Grants-State and Local (01600-8900900-321513) by \$4,046,729.
5. Authorize appropriate City staff to execute such grant, sub-recipient, loan, subordination, and other agreements as may be necessary to implement the Metropolitan Council LCDA TOD and TBRA TOD grants with the Metropolitan Council, Fine Associates, Wellington, Lupe Development Partners, and Trammell Crow (or affiliated entities).

Previous Directives:

On July 24, 2012, the City Council authorized submission of seven grant applications (the successful applications above, as well as West Broadway Curve and Elan of Uptown) for LCDA TOD and TBRA TOD grants.

Prepared by:	David Frank, Director of Transit Development
Approved by:	Jeremy Hanson Willis, Director, CPED _____
Presenter in Committee:	David Frank, Director of Transit Development
Funding Source and Appropriation	_____
Language Reviewed by Development Finance:	

Financial Impact

Action requires an appropriation increase to the Operating Budget

Dept Name: Community Planning & Economic Development – 8900220 and 8900320

Fund Name: 01600 - Other Grants-State and Local

Amount: \$4,046,729

Action provides increased revenue for appropriation increase

Dept Name: Community Planning & Economic Development - 8900900

Fund Name: 01600 - Other Grants-State and Local

Amount: \$4,046,729

Action is within the Business Plan.

Request provided to the Finance Department.

Community Impact

- Neighborhood Notification: n/a
- City Goals: A Safe Place to Call Home; Jobs and Economic Vitality; Eco-Focused; Livable Communities, Healthy Lives; Many People One Minneapolis; A City That Works.
- Sustainability Targets: Affordable Housing Units; Air Quality; Bicycle Lanes and Paths; Permeable Surface.
- Comprehensive Plan: 1.5 - Promote growth and encourage overall city vitality by directing new commercial and mixed-use development to designated corridors and districts; 1.13: Support high density development near transit stations in ways that encourage transit use and contribute to interesting and vibrant places; 3.2: Support housing density in locations that are well connected by transit, and are close to commercial, cultural and natural amenities; 3.6: Foster complete communities by preserving and increasing high-quality housing opportunities suitable for all ages and household types.

Supporting Information

On December 13, 2012 the Metropolitan Council awarded LCDA TOD and TBRA TOD grants as described above. Staff is now requesting City Council authorization to accept and appropriate the LCDA TOD and TBRA TOD grant awards, and to enter into any necessary related agreements.

Grant Application and Award Process

These grant awards are the result of the second Metropolitan Council Livable Communities (LCA) TOD program grant round, supporting transit oriented development activities. After reviewing all the applications, the Metropolitan Council

awarded \$10.1 million for TOD projects around the region, including the \$4 million in Minneapolis.

Project Summaries

- Currie Park Lofts (Fine Associates or a related entity), 515 15th Ave S. Currie Park Lofts will be a general occupancy, mixed-income, transit-oriented rental housing complex along 15th Ave S., between 4th and 6th St S. It will be next to the Cedar-Riverside station of the Hiawatha LRT line and steps from the West Bank Central Corridor LRT station. It will use the last large undeveloped parcel in the area, now only used for parking lots. The site has outstanding transit-oriented urban location, in front of Currie Park and with commanding views of the Minneapolis skyline. Its R-6 zoning allows the highest density residential use in Minneapolis, and the Franklin/Cedar-Riverside TOD Master Plan earmarked it for transit-oriented high density housing. The building is a 6-story elevator building which will include 259 residential units, about 6,000 sq ft of neighborhood commercial space and up to 260 stalls of structured parking. Abundant bike racks will be available for the residents, their guests and the commercial spaces users. The project will add needed quality affordable rental housing to Minneapolis. It will have a desirable mix of affordability levels: 20% of the units will be affordable to individuals/ households earning 50% or less of the Mean Metropolitan Income (MMI); another 60% will be affordable to individuals/households earning 60% or less of the MMI (“workforce housing”). The remaining units will be at market rate.
- Corcoran Triangle (Wellington or a related entity), 31xx 24th Ave S. Corcoran Triangle is a 103-unit mixed-income affordable housing development poised to revitalize the intersection of 32nd and Hiawatha on an oddly shaped, triangular parcel. This transit-oriented development, consisting of two, 4-story buildings, will be constructed in an energy-efficient, modern style reflective of recent market-rate developments in Corcoran and along the LRT, but will be accessible to households with a range of incomes. The project will create 103 new workforce housing multifamily units serving a variety of incomes and family sizes. It includes 11 supportive housing units for long term homeless households living with HIV/AIDS.
- Mill City Quarter (Lupe Development or a related entity), 2nd Street South between 3rd Avenue and 5th Avenue. Mill City Quarter will add life cycle housing to the downtown core and provide 250 rental units in a wide mix of service points ranging from independent living to supportive and assisted care. The project consists of two buildings separated by a historic view corridor serving as a connection to the Mississippi River. The west building, to be constructed first, will house first floor retail, likely a pharmacy or grocery store, with 125 units of affordable housing above, marketed to, but not restricted to, senior living. These units will have rents meeting the 50% and 60% MMI requirements for affordable housing. The East Building, will house 125 units of market rate assisted living and memory care housing. Ecumen Social Services has agreed in principle to be the project property manager and the site will be branded as an Ecumen senior care facility. The project will also provide street level connections linking the nearby Hiawatha Light Rail to housing and retail while also interconnecting bike and pedestrian corridors on the River Road, the Stone Arch Bridge and the Mississippi River corridor to the street grid through the historic view corridor between the two buildings. It is anticipated that residents of the proposed redevelopment will be less prone to own automobiles and will be more reliant on alternative modes of transportation. As part of the project, construction of a dedicated bike parking

facility, possible with rentals, will be included. The project will also include additional elements that will provide for upgraded stormwater management infrastructure to reduce the burden on the existing infrastructure and provide for a positive impact on the nearby river.

- Junction Flats (Trammell Crow or a related entity), 643 5th St N. Junction Flats is a 182-unit apartment building in the North Loop area of Minneapolis on a 1.37 acre site. The site is currently vacant and deteriorated. Environmental cleanup and demolition of an existing structure is required to construct the six-story building and related parking. The project will incorporate many green features within the building and onsite. Located within walking distance of three LRT stations, many bus routes, dedicated bike lanes and completely sidewalk accessible will support multi-modal transportation uses. Stormwater, currently unmanaged or treated, will be detained and released slowly after suspended solids have settled. Converting this underutilized, dilapidated building into attractive neighborhood housing achieves many city policy objectives.