



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

**Date:** July 23, 2013  
**To:** Council Member Lisa Goodman, Chair, Community Development Committee  
**Subject:** Interchange Project Public Hearing

### Recommendation

Adopt a resolution declaring a need for Hennepin County and/or its affiliated entities to undertake certain redevelopment activities in the City and approve the County's Redevelopment Plan and off-street parking facilities for the Interchange project.

### Previous Directives

Since 2003, the City Council has adopted multi-jurisdictional program approval resolutions from time to time for projects located within Minneapolis that are submitted to the Hennepin County Transit-Oriented Development (TOD) Program and authorized under Minnesota Statute §383B.79, a statute creating a multijurisdictional program involving Hennepin County and other jurisdictions.

Prepared by:	David Frank, Director of Transit Development, 612.673.5238
Approved by:	Jeremy Hanson Willis, CPED Director ____
Presenter in Committee:	David Frank, Director of Transit Development

### Financial Impact

- No financial impact

### Community Impact

- Neighborhood Notification: Not applicable.
- City Goals: Connected communities, enriched environment, and premier destination.
- Sustainability Targets: Economically vibrant and higher density transit corridors create attractive urban neighborhoods for development, support efficient growth, and reduce the need for car travel to obtain necessary goods and services.
- Comprehensive Plan: Policy 1.3. Ensure that development plans incorporate appropriate transportation access and facilities, particularly for bicycles, pedestrians and transit; Policy 1.5. Promote growth and encourage overall city vitality by directing new commercial and mixed-use development to designated corridors and districts; Policy 1.13. Support high density

development near transit stations in ways that encourage transit use and contribute to interesting and vibrant places; Policy 2.3. Encourage walking throughout the City by ensuring that routes are safe, comfortable, pleasant and accessible; Policy 2.4. Make transit a more attractive option for both new and existing riders; Policy 3.2. Support housing density in locations that are well connected by transit, and are close to commercial. Cultural and natural amenities; and Policy 4.11. Attract businesses to the City through strategic infrastructure investments.

- Zoning Code: Not applicable

### **Supporting Information**

The Interchange project, opening spring 2014, will serve as a central, multi-modal transportation hub and community gathering space in downtown Minneapolis. Located next to Target Field, connected to the North Loop neighborhood and adjacent to the historic Warehouse District, this unique destination will connect communities by linking the region's growing light rail and commuter rail transit network: Hiawatha LRT (METRO Blue Line), Northstar Commuter Rail, and Central Corridor LRT (METRO Green Line), as well as the proposed Southwest and Bottineau transitways. Near the Interchange, visitors will access daily bus operations that connect the Twin Cities Metropolitan area. With thousands of people passing through the Interchange each day, the project will open the door to redevelopment opportunities that complement the station, Target Field, Minneapolis Farmers Market, and the surrounding area. The Interchange is a project of Hennepin County, the Hennepin County Regional Railroad Authority, and the Hennepin County Housing and Redevelopment Authority.

The Interchange design highlights open, flexible public spaces. The Interchange will include an urban neighborhood plaza, with areas available for neighborhood bars and eateries, cultural and entertainment spaces, and community events. This unique urban area will hold natural, recreational, and entertainment spaces. One component, the Great Lawn, will be a large green 'stage,' providing new opportunities for large pre-game events, community concerts, seasonal events, as well as a space for individual activities. The Great Lawn will create valuable green space, and it will provide 250 new parking spaces underneath. Another component will be the Cascade, an amphitheater and informal seating area. The Cascade will be a flexible open space that will provide entertainment and recreation opportunities, including a place for an informal lunch meeting between friends, street fairs or clients or an impromptu concert arena. In the winter, steam from the Hennepin Energy Recovery Center will melt snow and ice from walkways and stairs.

The total cost of the Interchange is \$79.3 million, with 44 percent coming from local sources. The remaining funding comes from state (22 percent) and federal (34 percent) sources.

- Hennepin County, \$21.4 million
- Hennepin County Regional Railroad Authority, \$10.8 million
- TIGER III Grant, \$10 million
- Metropolitan Council Formula Funds, \$10 million
- Federal Highway Administration, \$6.9 million
- Minnesota State Bonds
  - 2009 appropriation, \$3.7 million
  - 2011 appropriation, \$11 million
  - 2012 appropriation, \$2.5 million
- Minnesota Ballpark Authority, \$1.5 million
- Federal Transportation Administration Grant, \$500,000
- City of Minneapolis, \$500,000
- Mississippi Watershed Management Organization, \$500,000

Hennepin County issued an RFP in January 2012 for development, sponsorship, and parking at the Interchange, and negotiations with the selected development team continues. The Hennepin

County Housing and Redevelopment Authority and the Hennepin County board each approved the Interchange Redevelopment Plan in 2012. In June 2013, the Housing and Redevelopment Authority and the County board held a public hearing and approved an amended Redevelopment Plan to include an enlarged geographical area.

The amended Redevelopment Plan includes a parcel adjacent to the City of Minneapolis North Loop Redevelopment Project to support new development at the Interchange and complement redevelopment in the North Loop Redevelopment Project. The Interchange Redevelopment Plan will remove blight, increase business activity and density in the project area, promote transit-oriented and sustainable development, promote green spaces and amenities for bicyclists and pedestrians, and increase the property tax base. It establishes a new Redevelopment project boundary adjacent to the North Loop Redevelopment Project and identifies Redevelopment objectives and land use provisions. The objectives of this Redevelopment Plan may be accomplished through the following public and private Redevelopment activities: Acquisition, new construction, demolition, site preparation, environmental remediation, public improvements, construction of parking garages, project administration and other related activities.

Hennepin County and the County HRA have requested that the City Council adopt a resolution under Minnesota Statutes, section 469.005, declaring a need for Hennepin County and/or the County HRA to exercise its powers in the City, approve the Interchange project as required by Minnesota Statutes, section 383B.77, and approve the off-street parking facilities that will be constructed as part of the Project under Minnesota Statutes, section 383B.20. This City consideration entails a public hearing after published notice as required by law.

#### Attachments

Interchange project images  
Interchange Redevelopment Plan  
Resolution

# **RESOLUTION of the CITY OF MINNEAPOLIS**

## **Providing requisite approvals for Hennepin County's Stage One Light Rail Transit Focus Redevelopment Project.**

WHEREAS, Hennepin County has established a Transit-Oriented Development (TOD) financing program (the "Program") as a multi-jurisdictional reinvestment program under the authority of Minnesota Statutes, section 383B.79, subdivision 1; and

WHEREAS, Hennepin County and the Hennepin County Housing and Redevelopment Authority (the "County HRA") have approved a redevelopment plan, as amended, entitled the Amended Interchange Redevelopment Plan (the "Plan") under the authority of Minnesota Statutes, sections 469.001-.047, for a redevelopment project located within the City of Minneapolis (the "City"); and

WHEREAS, the proposed redevelopment project is entitled the Stage One Light Rail Transit Focus Redevelopment Project (the "Project") and involves the sale of Hennepin County owned property at 419 Fifth Street North in Minneapolis to be redeveloped as a plaza with commercial sites and possible parking using financing under the Program and other financing; and

WHEREAS, Hennepin County and the County HRA have requested that the City Council of the City adopt a resolution under Minnesota Statutes, section 469.005, declaring a need for Hennepin County and/or the County HRA to exercise its powers in the City, and approve the Project as required by Minnesota Statutes, section 383B.77, and approve the off-street parking facilities that will be constructed as part of the Project under Minnesota Statutes, section 383B.20; and

WHEREAS, the City has reviewed the Plan, investigated the facts with respect to the Project and Program, and held a public hearing after published notice as required by law; and

WHEREAS, the City contemplates there will be future opportunities for it to provide meaningful input into design development;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Minneapolis:

That the City Council grants general approval in accordance with Minnesota Statutes, sections 469.005, 383B.77, and 383B.20, of the Amended Interchange Redevelopment Plan for the Stage One Light Rail Transit Focus Redevelopment Project approved by the Hennepin County Housing and Redevelopment Authority and the Hennepin County Board of Commissioners on June 11, 2013 and June 25, 2013, respectively.

BE IT FURTHER RESOLVED that the approval in this resolution does not confer financial and other benefits or waive zoning, land use, building code and other applicable requirements.

