



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

Date: April 1, 2014

To: Council Member Lisa Goodman, Chair, Community Development & Regulatory Services Committee

Subject: Long Term Lease Public Hearing for City Owned Properties at 1919 and 1913 Columbus Avenue South to Baraka Plaza, LLC

Recommendation:

- 1) Approve the lease of 1919 and 1913 Columbus Avenue South to Baraka Plaza, LLC or an affiliate for the purposes of installing and maintaining a playground/play area as an accessory use to the Baraka Daycare Center at 1910 Chicago Avenue South.
- 2) Authorize appropriate City officials to enter into a lease agreement and related documents in accordance with the terms herein.

Previous Directives: On October 10, 2003 the MCDA Board of Directors approved Exclusive Development Rights for the American Indian Community Development Corporation for 2313 13th Avenue South, 2119 14th Avenue South and 1913, 1919 and 1929 Columbus Avenue South. On October 24, 2004, that same body approved an extension of these Exclusive Development Rights. On January 26, 2006, the City Council approved an extension of the Exclusive Development Rights to American Indian Community Development Corporation on eight (8) properties, including 1913 and 1919 Columbus Avenue South. On July 25, 2008, the Minneapolis City Council approved an extension of the exclusive development rights to American Indian Community Development Corporation for six parcels, including 1919 and 1913 Columbus Avenue South.

Prepared by: Tiffany Glasper, Senior Project Coordinator, Phone 612-673-5221

Approved by: Charles T. Lutz, Deputy CPED Director _____

Thomas A. Streitz, Director Housing Policy & Development _____

Presenter in Committee: Tiffany Glasper, Senior Project Coordinator

Financial Impact

- Elimination of future property management costs estimated at \$7,200 per year.

Community Impact

- Neighborhood Notification: The Ventura Village Neighborhood Association reviewed this proposal and recommended it be approved.
- City Goals: LIVABLE COMMUNITIES, HEALTHY LIVES Our built and natural environment adds character to our city, enhances our health and enriches our lives.
- Sustainability Targets: A Healthy Life
- Comprehensive Plan: The Comprehensive Plan calls for mixed-use redevelopment at this location. This is a long-term lease for an accessory use that will allow for the eventual redevelopment of the properties consistent with the plan.
- Zoning Code: Will comply.
- Living Wage/Business Subsidy Agreement Yes_____ No x
- Job Linkage Yes_____ No x

Other: Planning Staff completed a review of these parcels and deemed the proposed long term lease for a playground/play area is in conformance with the comprehensive plan.

Supporting Information

<u>PARCEL</u>	<u>ADDRESS</u>	<u>LEASE RATE</u>
TF 492	1913 Columbus Avenue South	\$125/month for both parcels
TF 493	1919 Columbus Avenue South	

LESSEE

Baraka Plaza, LLC
1910 Chicago Avenue South
Minneapolis, MN 55404

PROPOSED DEVELOPMENT:

These parcels will be leased to Baraka Plaza, LLC for the purposes of establishing a playground/play area for the Baraka Child Care facility located in the adjacent commercial development.

The playground/play area will include an open, grassy area for field sports, eight (8) raised beds for gardening around the playground area, a swing set, monkey bars, a slide, three (3) sand-diggers and a chalkboard paint wall inside the fencing for artwork projects.

The playground/play area will also include required fencing and lighting as well as the retaining of several mature trees on the site.

The assembled lots have 13,182 total square feet.

COMMENTS:

The City of Minneapolis acquired the properties at 1913 and 1919 Columbus Avenue South in March 2000 for \$1 each via tax forfeiture. The City demolished the vacant and blighted structures.

Between 2003 and 2009, there were attempts to redevelop these properties along with the adjacent properties also held by the City. These redevelopment efforts were ultimately unsuccessful and the City has continued to hold these lots and incur holding costs.

Early in 2013, City staff were approached by the Baraka Daycare Center, inquiring about leasing the City owned properties immediately west of the daycare center for the purposes of installing a playground/play area for the center. Since that time, City staff have worked

closely with Baraka and their representatives to insure that all City requirements have been met and that the Ventura Village neighborhood and affected City Council Member are advised and in agreement with the plans.

City staff are recommending approval of the plans submitted by Baraka Daycare Center and that City staff be empowered to enter into a 3-year lease with the option of a maximum of two (2) administrative extensions of one year each, bringing the total potential lease term to a maximum of five (5) years. The lease terms shall include language allowing the City to terminate the lease at its sole discretion provided that 120 days notice is given. The lease rate of \$125 per month for both parcels is based on information obtained from an independent appraiser.