



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

**Date:** July 25, 2006

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

**Subject:** Guthrie "Mined Space" Parcel -- Registration of City Title

**Recommendation:** Adopt the attached resolution authorizing the City to file an application to register possessory title to the Guthrie mined underground space.

**Previous Directives:** On February 2, 2001, the City Council and MCDA Board authorized execution of a letter of intent between the City, MCDA and Guthrie Theater and approved a package of pre-implementation activities. On March 23, 2001, the City Council and MCDA Board approved various actions related to an archaeological study of the Guthrie site. On May 18, 2001, the City Council and MCDA Board authorized the execution of a redevelopment agreement with the Guthrie Theater Foundation and established goals under the Business Subsidy Act. On December 28, 2001, the MCDA Board authorized the acceptance of an easement from the Minneapolis Park and Recreation Board to facilitate the theater project. On May 3, 2002, the City Council designated the area in which the Guthrie project is located as a "targeted neighborhood" in which Port Authority bonding powers may be used. On November 22, 2002, the City Council and MCDA Board authorized execution of an amended redevelopment agreement and various other related actions, including prioritizing the Guthrie's request for state grant funding. On July 25, 2003, the City Council gave preliminary approval to issue 501(c)(3) bonds for the project. On September 26, 2003, the MCDA Board authorized acceptance of a \$25,000,000 State grant for the Guthrie project, along with execution of related documents and appropriations. On November 21, 2003, the City Council approved the sale of bonds to finance the parking facility. On March 19, 2004, the City Council authorized an appropriation increase to cover environmental remediation costs related to the Guthrie site.

**Prepared by:** Ann Calvert, Principal Project Coordinator Phone: 673-5023

**Approved by:** Chuck Lutz, Deputy Director, CPED \_\_\_\_\_

Mike Christenson, Director of Economic Development \_\_\_\_\_

**Permanent Review Committee (PRC)** Approval  Not Applicable

**Note:** To determine if applicable see <http://insite/finance/purchasing/permanent-review-committee-overview.asp>

**Presenter in Committee:** Ann Calvert

**Financial Impact (Check those that apply)**

No financial impact (If checked, go directly to Background/Supporting Information).

- Action requires an appropriation increase to the  Capital Budget or  Operating Budget.
- Action provides increased revenue for appropriation increase.
- Action requires use of contingency or reserves.
- Business Plan:  Action is within the plan.  Action requires a change to plan.
- Other financial impact (Explain):
- Request provided to department's finance contact when provided to the Committee Coordinator.

**Community Impact (use any categories that apply)**

Neighborhood Notification: Not applicable

City Goals: This technical action will support the goal of providing an enriched environment in which the arts abound and making downtown a premiere destination.

Comprehensive Plan: Not applicable

Zoning Code: Not applicable

Other: Not applicable

**Background/Supporting Information**

The Guthrie Theater Foundation is in the process of registering title to the theater site at 818 - 900 South Second Street. The registration will facilitate a vertical subdivision of the building by registered land survey to separate the restaurant spaces from the theater spaces, among other things. The City retains ownership of the "mined space" under the theater site. The Hennepin County Examiner of Titles has required registration of the mined space with the theater site. The Guthrie has thus requested that the City file a joint application to register possessory title. The Guthrie will pay the cost of the registration. Attached is a resolution to authorize the City to submit an application for certificate of possessory title (CPT).

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**Authorizing the City to file an application to register possessory title to mined space under the Guthrie Theater site.**

Whereas, the Guthrie Theater Foundation (the "Guthrie") intends to register and then vertically subdivide the Guthrie Theater property at 818 - 900 South Second Street; and

Whereas, upon direction of the Hennepin County Examiner of Titles, the Guthrie has requested that the City of Minneapolis jointly apply to register possessory title to the mined space under the Guthrie Theater property;

Now, Therefore, Be It Resolved by the City Council of the City of Minneapolis:

That the City is authorized to file an application to register possessory title, to be signed by the Mayor and the City Clerk pursuant to Minnesota Statutes, Sections 508A.03 and 508.03(6), to the mined space parcel under the Guthrie Theater property at 818 South Second Street and 900 South Second Street.