

Minneapolis Community Development Agency

Request for City Council Action

Date: November 14, 2002

To: Council Member Lisa Goodman, Community Development Committee
Council Member Barbara Johnson, Ways and Means/Budget Committee

Refer to: MCDA Board of Commissioners

Prepared by John Harrington, Project Coordinator, Phone 612-673-5018

Approved by Chuck Lutz, MCDA Interim Executive Director _____

Subject: Adoption of Modification No. 91 to the Common Development & Redevelopment and Common Tax Increment Financing Plan

Previous Directives: Not Applicable

Ward: 6 and 9

Neighborhood Group Notification: Powderhorn Park Neighborhood Association, Longfellow Community Council, Seward Neighborhood Group, East Phillips Improvement Coalition, Corcoran Neighborhood Organization, Lake Street Partners, Lake Street Council, Hiawatha and Lake Business Association were mailed notices on October 1, 2002.

All the above groups have been notified of the Agency's intent to prepare Modification No. 91 to the Common Development and Redevelopment and Common Tax Increment Financing Plan. All groups have been involved and informed of the plans associated with the Hiawatha Light Rail Transit (LRT) Corridor and the City's Transit-Oriented Development Program. Each group is a member of the Project Review Committee established to assist the Agency with redevelopment in the TOD area.

Consistency with *Building a City That Works*: Not Applicable

Comprehensive Plan Compliance: Not Applicable

Zoning Code Compliance: Not Applicable

Impact on MCDA Budget: (Check those that apply)

- No financial impact
 Action requires an appropriation increase to the MCDA Budget
 Action provides increased revenue for appropriation increase

Crown Roller Mill,
105 Fifth Ave. S., Suite 200
Minneapolis, MN 55401-2534
Telephone: (612) 673-5095
TTY: (612) 673-5154
Fax: (612) 673-5100
www.mcda.org

Action requires use of contingency or reserves
 Other financial impact (Explain):

Living Wage / Business Subsidy: Not Applicable

Job Linkage: Not Applicable

Affirmative Action Compliance: Will Comply

RECOMMENDATION:

City Council Recommendation: The Interim Executive Director recommends that the City Council:

1. Approve the City Council Resolution adopting Modification No. 91 to the Common Development and Redevelopment and Common Tax Increment Financing Plan.
2. Forward this report to the MCDA Board of Commissioners.

MCDA Board Recommendation: The Interim Executive Director recommends that the Board:

1. Approve the MCDA Resolution adopting Modification No. 91 and concurring with all findings made by the City Council with respect to the modification.

Background/Supporting Information

In June 1999, the Minneapolis City Council established the Transit-Oriented Development (TOD) Program to fund redevelopment activities in transit corridors and to encourage and enhance transit-oriented development around station areas along the Hiawatha LRT Corridor.

Modification No. 82 to the Common Project, approved in April 2001, expanded the boundary of the Common Project Area to overlay portions of the Hiawatha and Lake Redevelopment Project Area and incorporated the objectives of the Hiawatha and Lake Redevelopment Plan into the Common Plan.

This Modification No. 91 to the Common Project further modifies the Common Project to authorize property acquisition activities that have been approved in the Hiawatha and Lake Redevelopment Project as eligible activities of the Common Project.

The Minneapolis Community Development Agency has prepared the plan modification and transmitted it to interested parties for review and comment on October 10, 2002.

The City Planning Department has already effectively approved Mod 91 on June 27, 2002, with its review of the corresponding modification to the Hi-Lake Redevelopment Plan.

Adopting Modification No 91 to the Common Development & Redevelopment and Common Tax Increment Finance Plan

RESOLVED BY THE CITY COUNCIL OF THE CITY OF MINNEAPOLIS:

Section 1. Recitals

- 1.1 Pursuant to Laws of Minnesota 1980, Chapter 595, as amended, and the Minneapolis Code of Ordinances, Chapter 422, as amended (the “Agency Laws”) the Housing and Redevelopment Authority in and for the City of Minneapolis (the “City”) has been reorganized, granted additional powers, and designated the Minneapolis Community Development Agency (the “Agency”) with the authority to propose and implement city development districts, redevelopment projects and tax increment financing districts, all pursuant to Minnesota Statutes, Sections 469.001 through 469.134, and 469.174 through 469.179 as amended; and Laws of Minnesota 1971, Chapter 677 (the “Project Laws”).
- 1.2 In June 1999, the Minneapolis City Council established the Transit-Oriented Development (TOD) Program to fund redevelopment activities in stations areas along the Hiawatha Light Rail Transit (LRT) Corridor.
- 1.3 That by Resolution No 89R-530 duly adopted December 15, 1989 and approved December 21, 1989, the City of Minneapolis (the “City”) has approved the creation by the Agency of the Common Development and Redevelopment and Common Tax Increment Financing Plans, (the “Common Project”) relating hereto, all pursuant to Minnesota Laws.
- 1.4 That by Resolution No 2001R-164, duly adopted on April 23, 2001 the City approved Modification No 82 to the Common Project, expanding the Common Project boundary to include the same geographic area included within the existing Hiawatha-Lake Redevelopment Project Area.
- 1.5 That by Resolution No 2002R-259, duly adopted on July 26, 2002 the City approved Modification No 1 to the Hiawatha and Lake Redevelopment Plan, designating parcels that may be acquired within the Hiawatha and Lake Redevelopment Project Area.
- 1.6 It has been proposed that the Agency prepare Modification No 91 to the Common Project to designate said parcels as property that may be acquired within the Common Project, all pursuant to and in accordance with the Project Laws.
- 1.7 The Agency has prepared, and this City Council (the “Council”) has examined the proposed Modification that describes more precisely the properties that may be

acquired within the Project Area, all pursuant to and in accordance with the Project Laws.

- 1.8 The Agency and the City have performed all actions required by law to be performed prior to the adoption of the Modification, including, but not limited to, a review of the proposed Modification by the affected neighborhood groups and the Planning Commission for their review and comment, and the holding of a public hearing after published and mailed notice as required by law.

Section 2. Findings for the Adoption of the Modification

- 2.1 The Council hereby finds, determines and declares that the Modification will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the redevelopment of the Project Area by private enterprise as the proposed redevelopment removes blight and blighting influences, facilitates Transit-Oriented Development, enhances the city's tax base, and will serve as an impetus for the provision of needed community redevelopment, including commercial and retail opportunities.
- 2.2 The Council further finds, determines and declares that the Modification conforms to the general plan for the development or redevelopment of the City as a whole. Written comments of the Planning Commission with respect to the Modification was issued, is incorporated herein by reference, and is on file in the office of the City Clerk.
- 2.3 The Council further finds, determines and declares that the objectives and actions authorized by the Plans are all pursuant to and in accordance with the Project Laws.
- 2.4 The Council further finds, determines and declares that it is necessary and in the best interests of the City at this time to approve the Plans.

Section 3. Approval of the Modification

- 3.1 Based upon the findings set forth in Section 2 hereof, the Modification presented to the Council on this date is hereby approved and shall be placed on file in the office of the City Clerk.

Section 4. Implementation of the Modification

- 4.1 The officers and staff of the City and the Agency, and the City's and the Agency's consultants and counsel, are authorized and directed to proceed with the implementation of the Modification, and for this purpose to negotiate, draft, prepare and present to this Council for its consideration, as appropriate, all further modifications, resolutions, documents and contracts necessary for this purpose.