



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

Date: May 4, 2004

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

Prepared by: Jim White, Project Coordinator - Phone 612-673- 5170

Presenter in Committee: Jim White, Project Coordinator - Phone 612-673- 5170

Approved by: Chuck Lutz, Deputy CPED Director _____

Subject: Accept & Appropriate Two Contamination Cleanup Grants for the Greenleaf Lofts Project: (1) Minnesota Department of Employment and Economic Development Contamination Cleanup Grant# CGGP-03-0021-Z-FY04 for \$166,663 and (2) Metropolitan Livable Communities Act Tax Base Revitalization Acct. Grant #SG2003-124 for \$166,663

RECOMMENDATION:

1. Accept the (1) Minnesota Department of Employment and Economic Development Contamination Cleanup Grant# CGGP-03-0021-Z-FY04 for the Greenleaf Lofts Project \$166,663 and (2) Metropolitan Livable Communities Act Tax Base Revitalization Acct. Grant #SG2003-124 for the Greenleaf Lofts Project for \$166,663
2. Amend the 2004 General Appropriation Resolution by increasing the Community Planning and Development Agency Fund SMNO – CPED State Grants and Loans (SMN-890-8952) appropriation by \$332,326
3. Increase the 2004 Revenue Budget for the Community Planning and Economic Development Agency in Fund SMNO-CPED State Grants and Loans (SMN-890-8490) by \$332,326
4. Authorize appropriate City Officers to execute grant and sub-recipient agreements.

Previous Directives: On October 24, 2003, the City Council authorized submission of the subject grant applications to the Minnesota Department of Employment and Economic Development and to the Metropolitan Council.

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact (Summarize below)

Ward: 6

Neighborhood Notification: The Whittier Neighborhood Association was notified of the project in February of 2003.

City Goals: The development is consistent with Goal 2: Ensure that an array of housing choices exist to meet the needs of our current residents and attract new resident to the city. Strategy 2: Increase the development of affordable housing in neighborhoods with stronger markets, and Goal 3: Support strong and diverse neighborhoods where people choose to live.

Comprehensive Plan: The development complies with land reclamation and providing healthy environment elements of the Minneapolis Plan

Zoning Code: The proposed development will comply.

Living Wage/Job Linkage: Environmental assistance is exempt from Living Wage/ Business Subsidy

Background/Supporting Information

The Minneapolis Community Planning & Economic Development Department is please to report that the Greenleaf Lofts Project on Nicollet Application submitted in the fall of 2003 received two grant awards. The first award was from the Minnesota Department of Employment and Economic Development (Contamination Cleanup Grant# CGGP-03-0021-Z-FY04) for \$166,663 and the second award was from the Metropolitan Council (Metropolitan Livable

Communities Act Tax Base Revitalization Acct. Grant #SG2003-124) for \$166,663

The Greenleaf Lofts Project includes 27 units of mixed income ownership housing (ranging from \$145,000-\$354,000) with secure underground parking and new retail space located at the corner of Franklin Ave. and Nicollet Ave. Local matching funds will be provided by the project's developer.

This project will have a dramatic impact on this blighted corner. Greenleaf will generate approximately \$150,000 in new property taxes annually and will serve to leverage other development along both the Franklin and Nicollet Avenues. Funding will be used to remediate contaminated soils on the site.