



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

Date: February 1, 2005

To: Council Member Lisa Goodman, Community Development Cmte

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

Presenter in Committee: Tiffany Glasper, Senior Project Coordinator

Approved by: Chuck Lutz, Deputy Director—CPED _____
Elizabeth Ryan, Director, Housing _____

Subject: Parcels to be deleted from the Minneapolis Housing Replacement Tax Increment Financing District

RECOMMENDATION: Adopt the attached Resolution for the deletion of four parcels from the Minneapolis Housing Replacement Tax Increment Financing (TIF) District.

Previous Directives: On August 9, 1996, the Council approved the Housing Replacement District Plan and created the Housing Replacement TIF District for the City of Minneapolis by Resolution 96R-210.

On August 9, 1996, the Council approved the addition of 2530 East 34th Street to the Housing Replacement TIF District for the City of Minneapolis by Resolution 96-1518M.

On November 21, 1997, the Council approved the addition of 1924 Washburn Avenue North, 1928 Washburn Avenue North and 1932 Washburn Avenue North to the Housing Replacement TIF District for the City of Minneapolis by Resolution 97-292M.

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

Ward: 5, 8, 9

Neighborhood Notification: NA

City Goals: Increase homeownership, eliminate barriers and blighting influences that prevent or inhibit healthy neighborhood environments and economies, increase the City's property tax base and maintain its diversity.

Comprehensive Plan: Development activities will conform to the City's and respective neighborhoods' land use plans.

Zoning Code: Complies

Living Wage/Job Linkage: NA

Other:

Background/Supporting Information

The cost to acquire and remove severely deteriorated housing far exceeds what can be recovered by selling the land for new development. With diminishing federal and state resources for these types of activities, the City is limited in the total number of properties it can treat. The Housing Replacement District provides an invaluable tool and added mechanism for financing part of the cost of acquiring and removing substandard housing.

In order to facilitate the redevelopment of blighted properties, the Housing Replacement District has been created. The sole objective is to facilitate the acquisition, site preparation and disposition of parcels currently containing either undeveloped land, or vacant or substandard houses for purposes of their rehabilitation or redevelopment as market rate housing.

The subject parcels to be deleted from the district include four (4) single-family structures.

The four parcels containing structures are located at 1924 Washburn Avenue North, 1928 Washburn Avenue North and 1932 Washburn Avenue North in the Willard-Hay neighborhood, and 2530 East 34th Street in the Corcoran neighborhood.

These four (4) parcels will be deleted from the Minneapolis Housing Replacement Tax Increment Financing District as allowed for by the Housing Replacement District Plan approved by the City Council by Resolution 96R-210 on August 9, 1996. The parcels are being deleted because they were not acquired and redeveloped as intended and as allowed for in the Plan.

17-029-24-13-0171

17-029-24-13-0170

1924 Washburn Avenue North

1928 Washburn Avenue North

17-029-24-13-0169
01-028-24-13-0102

1932 Washburn Avenue North
2530 East 34th Street

With the deletion of these four (4) parcels, there are now 100 parcels in the Minneapolis Housing Replacement Tax Increment Financing District. The maximum number of parcels that can be placed in the District is 100.

**Adopting the Deletion from the Housing Replacement District of the
Below Stated Parcels**

RESOLVED BY THE CITY COUNCIL OF THE CITY OF MINNEAPOLIS:

Section 1. Recitals

- 1.1 Pursuant to Laws of Minnesota 2003, Chapter 127, Article 12, Sections 31-34, and Minneapolis Code of Ordinances, Chapter 415, the City of Minneapolis (the "City"), acting by and through its department of Community Planning and Economic Development, has been granted the authority to propose and implement city development districts, housing and 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 1995, Chapter 264, Article 5, Sections 44 through 47, as amended by Minnesota Session Laws 1996, Chapter 471, Article 7, Minnesota Session Laws 1997, Chapter 231, Article 10, and Minnesota Session Laws 2002, Chapter 377, Article 7 (the "Act") and other laws enumerated therein (collectively, the "Project Laws"); and
- 1.2 By Resolution No 96R-210 duly adopted on August 9, 1996, the City Council of the City (the "Council") adopted a resolution approving the Minneapolis Housing Replacement TIF District Plan enabling the Agency to establish a Housing Replacement Tax Increment Financing District (the "District") within the City; and
- 1.3 That the Act and the Plan specify the procedures whereby parcels may be added to and deleted from the District; and
- 1.4 It has been proposed that the City delete four parcels from the District.

Section 2. Findings for the Adoption of the Plan

- 2.1 The Council hereby finds, determines and declares that these four parcels qualify for deletion from the District pursuant to the Act and the Plan; and that the reasons and supporting facts for this determination are retained and available from the Agency.

- 2.2 The Council further finds, determines and declares that the property to be deleted from the District includes four single-family dwellings located at 1924 Washburn Avenue North, 1928 Washburn Avenue North, 1932 Washburn Avenue North and 2530 34th Street East.
- 2.3 The Council further finds, determines and declares that the intended acquisition of these properties did not take place and redevelopment did not occur, pursuant to the Project Laws.
- 2.4 The Council further finds, determines and declares that there are now 100 parcels in the Minneapolis Housing Replacement District TIF with the deletion of the above named parcels. The maximum number of parcels that can be included in the District is 100 parcels.

NOW, THEREFORE, BE IT RESOLVED BY THE MINNEAPOLIS CITY COUNCIL AS FOLLOWS:

That the parcels listed above are hereby approved for deletion from the Minneapolis Housing Replacement TIF District.