



Minneapolis
City of Lakes

**Community Planning &
Economic Development**

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Dear T&PW Chair Colvin Roy:

I recently sent you a letter providing background for a June 27, 2006 letter sent by CPED to the University. The issue was City acquisition of University property for use as roadway rights of way for Granary Road and the extension of 25th Ave. SE. These roads are critical to redevelopment of the SEMI/University Research Park area. They and other needed infrastructure are displayed on the attached map prepared by Public Works and CPED.

CPED has successfully sought several sources of funds for infrastructure in the SEMI/University Research Park. A Minnesota Department of Employment and Economic Development (DEED) Redevelopment Grant, matched by City MILES funds, was used to acquire the University property. The DEED grant was to expire at the end of June 2006. It was necessary therefore to come to an agreement with the University within the very limited time available following the University's communication of their asking price. Had we not responded we would have foregone a quarter of a million dollars in State funds and not acquired land needed to implement the public infrastructure plan. Given the deadline posed by expiration of the grant we had only two options. We could withdraw the request for DEED funding, losing a quarter million dollars, or we could find some way of maintaining the request for public works dollars by resolving the matter in a timely fashion that was short of litigation or arbitration. To that end I chose to send a letter to the Chief Financial Officer of the University.

In closing I'd like to note that CPED and Public Works have for years planned and worked to obtain funds for infrastructure necessary for development of the SEMI University Research Park area. We understand that Public Works' primary role is preservation of health and safety by maintaining the existing infrastructure and that their budget for additional projects is extremely limited. To that end CPED has obtained funds needed for this new infrastructure system and we are very heartened by our Public Works partners' identification of matching funds in their 5 Year CIP.

Please contact me if you have any questions about this letter.

Sincerely,

Mike Christenson
Director of Economic Development