



**Modification No. 108  
to the  
Common Development and Redevelopment Plan  
and Common Tax Increment Financing Plan**

**(46<sup>th</sup> Street LRT Station Area)**

**June 23, 2006**

Prepared by:

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**MODIFICATION NO. 108  
TO THE  
COMMON DEVELOPMENT AND REDEVELOPMENT PLAN  
AND COMMON TAX INCREMENT FINANCING PLAN  
(46<sup>th</sup> Street LRT Station Area)**

**June 23, 2006**

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(This Table of Contents is not part of Modification No. 108 to the Common Development and Redevelopment Plan and Common Tax Increment Financing Plan, and is only for convenience of reference.)

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### Exhibits

Exhibit 1	Boundary Map
Exhibit 2	Proposed Land Use Map
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TO THE  
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**Introduction**

Two plan documents have been prepared to facilitate the redevelopment of a block bounded by Hiawatha Avenue, East 46<sup>th</sup> Street, Minnehaha Avenue and Nawadaha Boulevard, within the 46<sup>th</sup> Street LRT Station Area Redevelopment Project:

- 1) this Modification No. 108 to the Common Development and Redevelopment Plan and Common Tax Increment Financing Plan expands the boundary of the Common Project Area to include the 46<sup>th</sup> Street LRT Station Area Project Area; identifies two parcels that may be acquired to facilitate the extension of Snelling Avenue past its southern terminus at East 46<sup>th</sup> Street and construction of stormwater treatment infrastructure; and identifies \$1.1 million in Common Project Reserve Funds set aside for transit-oriented development (TOD) as a funding source for acquisition of the two parcels; and
- 2) Modification No. 1 to the 46<sup>th</sup> Street LRT Station Area Redevelopment Plan identifies two parcels that may be acquired to facilitate the extension of Snelling Avenue past its southern terminus at East 46<sup>th</sup> Street and construction of stormwater treatment infrastructure.

The property that is the subject of this Modification No. 108 is not within a tax increment financing district. Modification No. 108 does not provide for the inclusion of any additional property within a tax increment financing district.

By reference, Modification No. 108 to the Common Plan is incorporated into the Incorporated Project Documents, and in itself is designated an Incorporated Document.

**Background**

In June 1999, the City Council established the Transit-Oriented Development (TOD) Program and designated \$3.6 million of discretionary Common Project Reserve Funds as a set-aside for the program, to fund redevelopment activities in station areas in the Hiawatha LRT Corridor that are also located within the Common Project Area. An additional \$400,000 of Development Account funds were set aside for the TOD program at the same time. To date, approximately \$2.5 million of the Common Project set-aside funds have been expended or allocated for TOD within the Common Project Area.

In anticipation of the transformative effect that the Hiawatha Line Light Rail Transit (LRT) system might have on surrounding neighborhoods, the Minneapolis City Council in 1998 directed City staff to engage Hiawatha area neighborhoods in planning efforts to maximize the benefits provided by new transit investment. Planning for the 46<sup>th</sup> Street Station Area began in the fall of 2000 with strong citizen participation, and on December 28, 2001, the Station Area Master Plan was adopted by the City Council as official City policy for the area surrounding the 46<sup>th</sup> Street station of the Hiawatha LRT. That plan proposed a number of desired land use and infrastructure changes to the area to improve the functioning of the road network and better utilize the light rail line with transit-oriented development.

The adopted “Consensus Plan” for the 46<sup>th</sup> Street station area includes the following improvements to the block bounded by Hiawatha Avenue, East 46<sup>th</sup> Street, Minnehaha Avenue and Nawadaha Boulevard and currently occupied by light industrial and auto-oriented retail uses: 1) the extension of Snelling Avenue from its southern terminus at 46<sup>th</sup> Street southward into the block; 2) construction of new stormwater treatment infrastructure; and 3) redevelopment of a significant portion of the block with transit-oriented development, a higher-density mix of residential and retail uses.

The 46<sup>th</sup> Street LRT Station Area Redevelopment Plan was adopted by the City Council on July 11, 2003. The Redevelopment Plan was based on the Master Plan, and the boundaries of the Redevelopment Project Area were the same as those used in the Master Plan. Although the extension of Snelling Avenue south of 46<sup>th</sup> Street and the construction of stormwater treatment facilities will require acquisition of two parcels owned by Capp Industries, the Redevelopment Plan did not identify the parcels as properties that may be acquired because at that time there was no firm commitment to construct the extension of Snelling Avenue. Roadway design and construction costs are now included in the City’s Capital Improvement Budget for 2006 and 2008. The Redevelopment Plan is therefore now being modified to identify the two parcels as property that may be acquired.

The 46<sup>th</sup> Street LRT Station Area Redevelopment Plan and the Common Plan are therefore now being modified to identify the two parcels as property that may be acquired. The boundary of the Common Project is also being expanded to include the 46<sup>th</sup> Street LRT Station Area Redevelopment Project Area, to facilitate the expenditure of the remaining \$1.1 million in TOD set-aside funds for acquisition of two parcels needed for the Snelling Avenue extension and stormwater treatment facilities.

## **SECTION A. COMMON DEVELOPMENT AND REDEVELOPMENT PLAN**

**Subsection A.1.** Mission Statement (No Change)

**Subsection A.2.** Definitions (No Change)

**Subsection A.3.** Description of Public Purpose (No Change)

**Subsection A.4.** Objectives of Common Project (No Change)

**Subsection A.5.** Structuring of Common Project (No Change)

**Subsection A.6.** History of Establishment and Modification of Projects and TIF Districts Included in Common Project Area **(Changed)**

Subsection A.6. is modified to include the following information:

<b>Project</b>	<b>Plan, Modification or Amendment</b>	<b>City Council Approval Date</b>	<b>Resolution Number</b>
<i>Common Project</i>	<i>Modification No. 108 to the Common Plan (46<sup>th</sup> Street LRT Station Area)</i>	<i>August 18, 2006</i>	<i>06R-_____</i>

**Subsection A.7.** Estimated Public Improvement Costs **(Changed)**

The budget of the Common Project is increased to add the following costs of the Transit-Oriented Development Program within the Common Project:

Property Acquisition           \$ 1,100,000

**Subsection A.8.** Boundaries of the Common Project Area **(Changed)**

The boundaries of the Common Project are expanded to include the approximately 38 parcels located on a number of blocks within the geographic area roughly bounded by East 42<sup>nd</sup> Street, Nawadaha Boulevard, 35<sup>th</sup> Avenue South, and Snelling Avenue, as shown on Exhibit 1, the Boundary Map.

**Subsection A.9.** Development Program Requirements **(Changed)**

The Common Project Proposed Land Use Map is amended to include the Land Use Map from the 46<sup>th</sup> Street LRT Station Area Redevelopment Plan, attached as Exhibit 2. The Land Use Map is the Master Plan's Consensus Plan and is illustrative of future potential uses with the Transit Station Area (TSA) land use designation.

**Subsection A.10.** Modifications to Common Development and Redevelopment Plan (No Change)

**Subsection A.11.** Neighborhood Revitalization Program (No Change)

**SECTION B. COMMON TAX INCREMENT FINANCING PLAN (No Change)**

**Subsection B.1.** Summaries of Participating Tax Increment Financing Districts (No Change)

**Subsection B.2.** Boundaries of Participating Tax Increment Financing Districts (No Change)

**Subsection B.3.** Statement of Objectives and Development Program, Including Property That May Be Acquired **(Changed)**

Two tax parcels within the 46<sup>th</sup> Street LRT Station Area Redevelopment Project Area and the Common Project Area have been identified as Property That May Be Acquired:

<i>Property Identification Number</i>	<i>Address</i>
18 028 23 12 0085	3939 East 46 <sup>th</sup> Street
18 028 23 12 0086	3941 East 46 <sup>th</sup> Street

These properties are identified in Exhibit 3, the Property Acquisition Map.

The acquisition of property will be subject to limitations imposed by State law, availability of funds, developer interest, staging requirements, soil contamination, and other financial and environmental considerations. Inclusion of property in the category of Property That May Be Acquired does not indicate an absolute commitment on the part of the City to acquire a property.

State law authorizes the City to acquire property either on a negotiated basis or, for statutory public purposes under certain conditions, through the use of its power of eminent domain, if necessary, to carry out a redevelopment plan. The City will seek to acquire property from willing sellers whenever possible, but may use the power of eminent domain to acquire property identified as Property That May Be Acquired when necessary and as permitted by State law.

**Subsection B.4.** Properties To Be Deleted from Participating Tax Increment Financing Districts (No Change)

**Subsection B.5.** Development Activity in the Common Project for Which Contracts Have Been Signed and Other Specific Development Expected to Occur (No Change)

**Subsection B.6.** Description of Financing **(Changed)**

In June 1999, the City Council established the Transit-Oriented Development (TOD) Program and designated \$3.6 million of discretionary Common Project Reserve Funds as a set-aside for the program, to fund redevelopment activities in station areas in the Hiawatha LRT Corridor that are also located within the Common Project Area. An additional \$400,000 of Development Account funds were set aside for the TOD program at the same time. To date, approximately \$2.5 million of the Common Project set-aside funds have been expended or allocated for TOD within the Common Project. The remaining approximately \$1.1 million is to be expended for acquisition of property that is

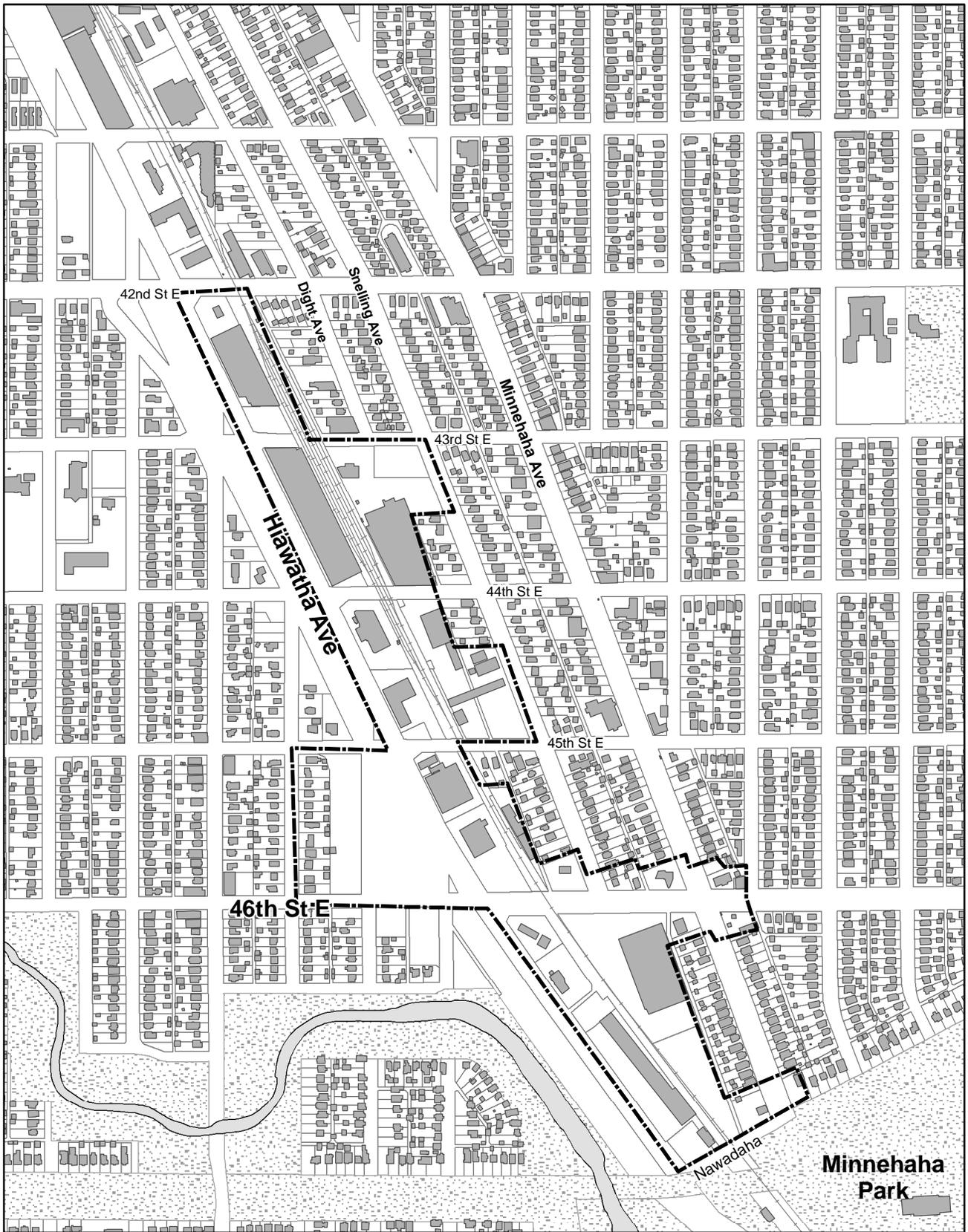
located within both the 46<sup>th</sup> Street LRT Station Area Redevelopment Project and Common Project Areas.

**Subsection B.7.** Estimated Impact on Other Taxing Jurisdictions (No Change)

**Subsection B.8.** Modifications to Common Tax Increment Financing Plan (No Change)

**Subsection B.9.** Neighborhood Revitalization Program (No Change)

**Subsection B.10** Hazardous Substance Subdistrict Plan (No Change)



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Prepared by CPED  
Business Development

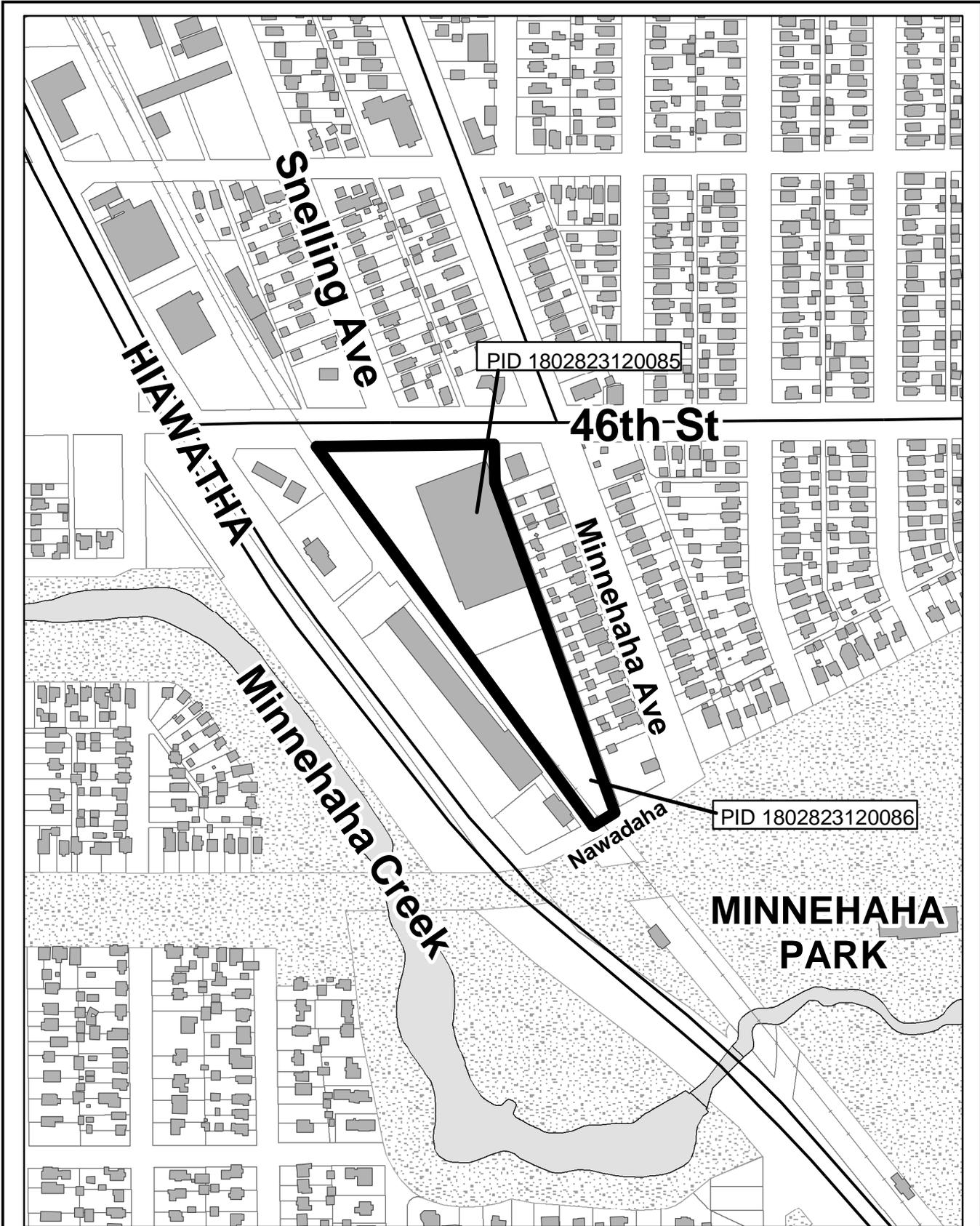
**Exhibit 1  
 Boundary Map  
 June 23, 2006**

 Redevelopment  
 Area Boundary



Modification No. 108 to the  
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Exhibit 2  
 Proposed Land Use Map  
 June 23, 2006



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Prepared by CPED  
 Business Development

**Exhibit 3  
 Property Acquisition Map  
 June 23, 2006**


 Property that  
 may be acquired