



**Modification No. 1 to the
46th Street LRT Station Area
Redevelopment Plan**

June 23, 2006

Prepared by:

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Introduction

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

- 1) this Modification No. 1 to the 46th 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 46th Street and construction of stormwater treatment infrastructure; and
- 2) 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 46th 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 46th 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.

Background

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 46th 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 46th 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 46th Street station area includes the following improvements to the block bounded by Hiawatha Avenue, East 46th 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 46th 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 46th 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 46th 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 constructing 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.

Exhibit 1 to this Modification is the Property Acquisition Map. Exhibit 2 is included for illustrative purposes only, to show the proposed extension of Snelling Avenue.

Modification No. 1

III. Project Proposals

A. Land Acquisition - Changed

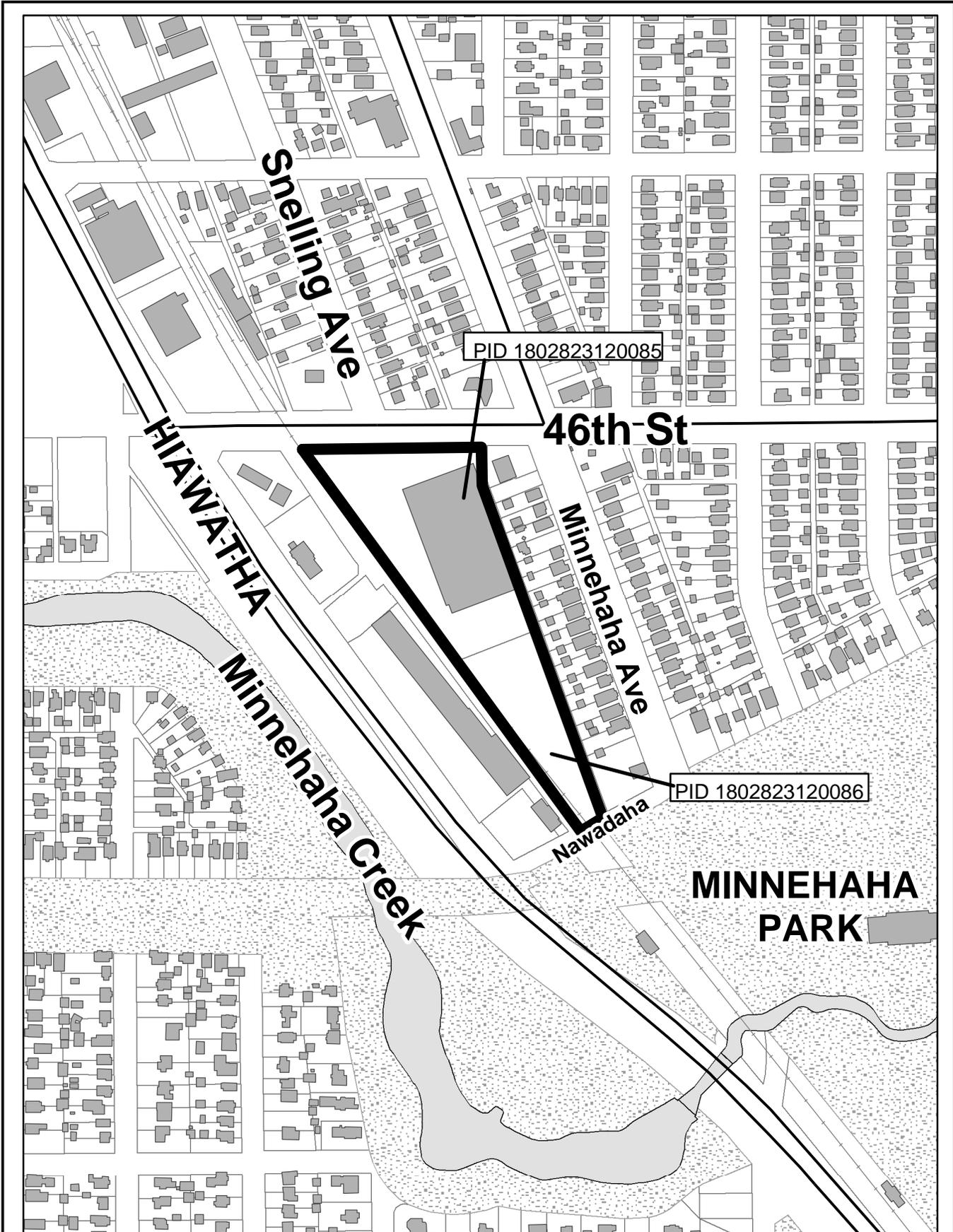
Property located within the Project Area may be acquired, as needed, in order to accomplish the objectives of this Redevelopment Plan. The acquisition of property will be subject to limitations imposed by State law, availability of funds, developer interest, staging requirements, soil contamination, 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.

Two tax parcels 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 th Street
18 028 23 12 0086	3941 East 46 th Street

These properties are identified in Exhibit 1, the Property Acquisition Map.

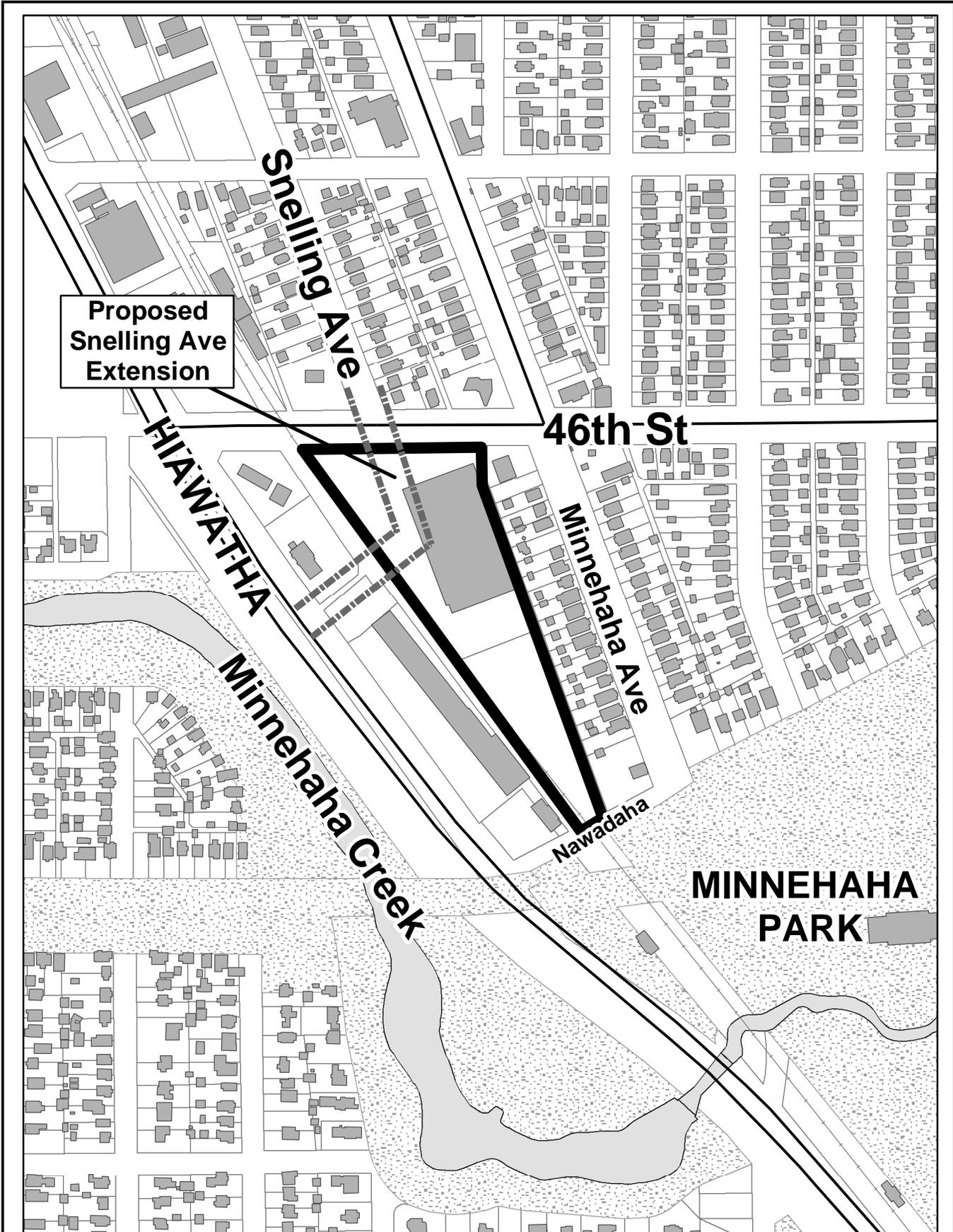


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**Exhibit 1
Property Acquisition Map
June 23, 2006**

Prepared by CPED
Business Development

 Property that
may be acquired



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**Exhibit 2
Proposed Snelling Ave Extension
For Illustrative Purposes Only
June 23, 2006**

 Property that may be acquired