



Request for City Council Committee Action from the Department of

Community Planning & Economic Development

Date: April 4, 2006

To: Council Member Sandy Colvin Roy, Transportation & Public Works

Referral to: Council Member Lisa Goodman, Community Development Committee

Subject: 2006 Hennepin County Transit Oriented Development (TOD) Grant Applications for Projects Located in the City of Minneapolis

Recommendation:

1. Adopt the multi-jurisdictional program approval resolution for the submission of TOD grant applications to Hennepin County for projects located within the City of Minneapolis.
2. Approve City of Minneapolis priority rankings for 2006 Hennepin County Transit Oriented Development proposals within the City of Minneapolis and direct staff to submit advisory rankings to Hennepin County Department of Housing, Transit and Community Works.
 - i. Seward Redesign, Franklin LRT Project
 - ii. Capital Growth RE, Longfellow Station
 - iii. City of Minneapolis, 46th Street Town Square
 - iv. American Indian Neighborhood Development Corp., Builders Business Incubator
 - v.(tie) Agape Development Partners, Agape Apartments
 - v.(tie) LLC by A. Chazin and E. Bell, Corson's Corner
 - vii. Real Asset Capital, Broadway Transit Center
 - viii. Greenway Urban Housing, Greenway Apartments
 - ix. Asian Media Access, Ramen Ya Multi-Arts Complex

Previous Directives: 2004 and 2005 TOD grant cycles. Minneapolis grant guidelines.

Prepared by: Mark Garner, Senior Project Coordinator, CPED Phone: 673-5037

Approved by: Klara Fabry, P.E., City Engineer, Director of Public Works _____

Chuck Lutz, Deputy Director, CPED _____

Permanent Review Committee (PRC) Approval__ Not Applicable X

Presenter in Committee: Mark Garner, Senior Project Coordinator, CPED Phone: 673-5037

Financial Impact:

X No financial impact

Action requires an appropriation increase to the Capital Budget or Operating Budget.

Action provides increased revenue for appropriation increase.

Action requires use of contingency or reserves.

Business Plan: Action is within the plan. Action requires a change to plan.

Other financial impact (Explain):

Request provided to department's finance contact when provided to the Committee Coordinator.

Community Impact:

Neighborhood Notification: Not Applicable

City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe City. Preserve and enhance our environmental, economic and social realms to promote a sustainable Minneapolis. Foster the development and preservation of a mix of quality housing types that is available, affordable, meets current needs, and promotes future growth.

Comprehensive Plan: Section 4.1: Minneapolis will encourage reinvestment along major urban corridors as a way of promoting growth in all neighborhoods. Section 4.9: Minneapolis will grow by increasing its supply of housing. Section 4.10: Minneapolis will increase its housing that is affordable to low and moderate income households. Section 4.11 Minneapolis will improve the availability of housing options for its residents. Section 4.15: Minneapolis will carefully identify project sites where housing development or housing revitalization are the appropriate responses to neighborhood conditions and market demand. Section 4.17: Minneapolis will promote housing development that supports a variety of housing types at designated Major Housing Sites throughout the City. Section 4.18 Minneapolis will encourage both a density and mix of land uses in Transit Station Areas that both support ridership for transit as well as benefit from its users. Section 4.19: Minneapolis will require design standards for Transit Station Areas that are oriented to the pedestrian and bicyclist and that enforce traditional urban form.

Zoning Code: Not Applicable.

Other: Not Applicable.

Background & Supporting Information

The Hennepin County Board of Commissioners included \$2 million in bonding for the Transit Oriented Development (TOD) Program in its 2006 budget. This is the fourth year that the program has been funded. TOD projects supported with this funding must be in redevelopment areas, have multi-jurisdictional impacts, and enhance transit usage. Eligible projects must be located within or directly adjacent to Hennepin County Transit Corridors or where new or enhanced transit services supporting County services are taking place.

Transit Oriented Development projects reinforce both the community and the transit system, exhibit a compact and efficient use of available space and existing infrastructure, and contain a mix of uses with daily convenience and transit at the center. The pedestrian friendly physical design of transit oriented developments encourages walking, bicycling and access by people with disabilities. The spatial extent of TOD is the maximum comfortable walking distance, roughly ¼ mile for existing bus transit stops or ½ mile for rail-based transit.

The multi-jurisdictional program must include plans for one or more of the following: development and redevelopment of housing and commercial properties, job creation, acquisition of property, construction of community corridor connections, corridor planning, or environmental cleanup.

Preference is given to projects and activities that directly increase transit use.

Process & Project Evaluations

Applications to the Hennepin County TOD Program were due to Hennepin County on February 23, 2006. There is \$2 million available for allocation in the 2006 program solicitation. The County received thirteen applications (13) requesting a total of \$6,538,818. Nine (9) of the proposed projects are located within the City of Minneapolis, which total \$3,408,818. A complete project list is attached to this report.

The Minneapolis projects are located in North and South Minneapolis. Three proposed projects are located near Hiawatha LRT stations; three are located along West Broadway Avenue near proposed Bottineau Boulevard Bus Rapid Transit stations; one is located along the Midtown Greenway and the other two proposals are located near high frequency local bus routes and neighborhood commercial nodes. Several of the proposed projects also have complementary impacts on proposed public infrastructure projects by the City of Minneapolis or Metro Transit.

Hennepin County staff has requested that the City submit the multi-jurisdictional program approval resolutions by mid-April so that County staff can proceed with their internal review and award process. The City can also submit an advisory ranking of projects against City policies and priorities to provide that additional input for the County process.

A multi-disciplinary, inter-departmental review team was established in late February to review and evaluate the proposed projects that are located within Minneapolis. The review team included:

1. Greg Schroeder, Public Works Engineering Services
2. Don Pflaum, Public Works Traffic and Parking Services
3. Pam Miner, CPED, Community Planning
4. Tom Leighton, CPED, Community Planning
5. Mike Larson, CPED, Community Planning
6. Cynthia Lee, CPED, Multi-family Housing
7. Theresa Cunningham, CPED, Multi-family Housing
8. Scott Ehrenberg, CPED, Multi-family Housing
9. Tom Daniel, CPED, Business Development
10. Kristin Guild, CPED, Business Development
11. Mark Garner, CPED, Business Development

Applications were evaluated against 10 criteria that included both County program criteria and City policy and project requirements, such as consistency with the Minneapolis Plan, adopted small area plans, quality of transit-oriented development proposed, project readiness, and housing and economic development policies and strategies. A chart showing the recommended ranking of projects against City priorities has been attached to this report.

It is anticipated that the Hennepin County Board will recommend the preliminary Transit Oriented Development program funding awards in either June or July. If grant agreements are successfully negotiated for the recommended projects, the County is expected to approve the final grant

contracts in late 2006. Activities funded by the program are expected to occur during 2007 or 2008.

It may be necessary for the City to adopt or modify a redevelopment project for some of the projects if they are funded by Hennepin County. Most projects for which grant applications have been submitted are already located within existing project areas (see the list of projects below). However, approval of the multi-jurisdictional resolution for projects located within the City implies that the City intends to pursue, if necessary, the approval or modification of a redevelopment project area to provide the legal authority for use of County funds in projects receiving TOD funds.

List of Applications for 2006 Hennepin County Transit Oriented Development program for Projects located in the City of Minneapolis (Priority Rank Order)

The following list of projects summarizes 2006 applicant information:

1. Franklin LRT Project

Applicant: Seward Redesign
Location: 2200 Snelling Avenue South
TOD \$ Request: \$1,000,000
Proposed Use of TOD funds: Property Acquisition
Name of Redevelopment Project: Seward South Urban Renewal Project
Contact: Brian Miller, (612) 338-8729 ext. 107

2. Longfellow Station

Applicant: Capital Growth Real Estate
Location: Purina Mill
Site Bounded by Hiawatha Avenue, 38th and 40th Street E.
TOD \$ Request: \$400,000
Proposed Use of TOD funds: Demolition of Grain Elevators
Name of Redevelopment Project: Not yet established
Contact: Dale Joel, (651) 222-3366 ext. 15

3. 46th Street Town Square

Applicant: City of Minneapolis, CPED
Location: 3939 and 3941 46th Street East
TOD \$ Request: \$ 250,000
Proposed Use of TOD funds: Property Acquisition
Name of Redevelopment Project: 46th Street Light Rail Transit Station Area redevelopment Plan
Contact: Kristin Guild, (612) 673-5168

4. Builders Business Incubator

Applicant: American Indian Neighborhood Development Corp. (AINDC)
Location: 800 West Broadway Avenue
TOD \$ Request: \$400,000
Proposed Use of TOD funds: Building Renovation
Name of Redevelopment Project: West Broadway Redevelopment Project
Contact: Theresa Carr, (612) 870-7555

5. (tie) Agape Apartments

Applicant: Agape Development Partners, LLC
Location: 2000 West Broadway
TOD \$ Request: \$200,000
Proposed Use of TOD funds: Property Acquisition & Site Development
Name of Redevelopment Project: West Broadway Redevelopment Project
Contact: Patrick Lamb, (952) 831-2461

5. (tie) Corson's Corner

Applicant: LLP by Alan Chazin and Ed Bell
Location: 26th Street & Stevens Avenue South
TOD \$ Request: \$25,000
Proposed Use of TOD funds: Pedestrian lighting, security cameras, and sidewalks
Name of Redevelopment Project: Model City Urban Renewal Project
Contact: Alan Chazin, (952) 546-3440

7. Broadway Transit Center Development

Applicant: Real Asset Capital, LLC
Location: Broadway Shopping Center, 601 West Broadway
TOD \$ Request: \$383,818
Proposed Use of TOD funds: Improvements in Public Right-of-Way for Transit facilities
Name of Redevelopment Project: West Broadway Redevelopment Project
Contact: Stephen A. Wheeler, (312) 893-5153 ext 706

8. Greenway Apartments

Applicant: Greenway Urban Housing, LLC
Location: 2845 Bloomington Avenue South
TOD \$ Request: \$500,000
Proposed Use of TOD funds: Property Acquisition
Name of Redevelopment Project: Model City Urban Renewal Project
Contact: Steve Minn, (952) 888-2001

9. Ramen Ya Multi Arts Complex

Applicant: Asian Media Access
Location: 2412 – 2426 Plymouth Avenue North
TOD \$ Request: \$250,000
Proposed Use of TOD funds: Property acquisition and building renovation
Name of Redevelopment Project: Willard-Homewood Urban Renewal project
Contact: Ange Hwang, (612) 376-7715

Proposed RESOLUTION
of the
CITY OF MINNEAPOLIS

By _____

WHEREAS the Hennepin County Transit Oriented Development (TOD) Program was established as a multi-jurisdictional reinvestment program under the authority of Minnesota Statutes 383B.79, Subdivision 1.

WHEREAS nine applications were submitted to Hennepin County for projects located within the City of Minneapolis for consideration in the 2006 Hennepin County TOD Program solicitation.

THEREFORE, BE IT RESOLVED that the city of Minneapolis, in accordance with Minnesota Statutes 383B.79, Subdivision 3, supports the transit oriented development loan/grant application submitted to the Hennepin County Housing and Redevelopment Authority on February 23, 2006 by Seward Redesign for the Franklin LRT Project site.

BE IT FURTHER RESOLVED that the city of Minneapolis, in accordance with Minnesota Statutes 383B.79, Subdivision 3, supports the transit oriented development loan/grant application submitted to the Hennepin County Housing and Redevelopment Authority on February 23, 2006 by Capital Growth Real Estate for the Longfellow Station site.

BE IT FURTHER RESOLVED that the city of Minneapolis, in accordance with Minnesota Statutes 383B.79, Subdivision 3, supports the transit oriented development loan/grant application submitted to the Hennepin County Housing and Redevelopment Authority on February 23, 2006 by Minneapolis Department of Community Planning and Economic Development for the 46th Street Town Square site.

BE IT FURTHER RESOLVED that the city of Minneapolis, in accordance with Minnesota Statutes 383B.79, Subdivision 3, supports the transit oriented development loan/grant application submitted to the Hennepin County Housing and Redevelopment Authority on February 23, 2006 by American Indian Neighborhood Development Corporation for the Builders Business Incubator site.

BE IT FURTHER RESOLVED that the city of Minneapolis, in accordance with Minnesota Statutes 383B.79, Subdivision 3, supports the transit oriented development loan/grant application submitted to the Hennepin County Housing and Redevelopment Authority on February 23, 2006 by Agape Development Partners for the Agape Apartments site.

BE IT FURTHER RESOLVED that the city of Minneapolis, in accordance with Minnesota Statutes 383B.79, Subdivision 3, supports the transit oriented development loan/grant application submitted to the Hennepin County Housing and Redevelopment Authority on February 23, 2006 by the LLC by A. Chazin and E. Bell for the Corson's Corner site.

BE IT FURTHER RESOLVED that the city of Minneapolis, in accordance with Minnesota Statutes 383B.79, Subdivision 3, supports the transit oriented development loan/grant application submitted to the Hennepin County Housing and Redevelopment Authority on February 23, 2006 by Real Asset Capital for the Broadway Transit Center site.

BE IT FURTHER RESOLVED that the city of Minneapolis, in accordance with Minnesota Statutes 383B.79, Subdivision 3, supports the transit oriented development loan/grant application submitted to the Hennepin County Housing and Redevelopment Authority on February 23, 2006 by Greenway Urban Housing for the Greenway Apartments site.

BE IT FURTHER RESOLVED that the city of Minneapolis, in accordance with Minnesota Statutes 383B.79, Subdivision 3, supports the transit oriented development loan/grant application submitted to the Hennepin County Housing and Redevelopment Authority on February 23, 2006 by Asian Media Access for the Ramen Ya Multi-Arts Complex site.