



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

Date: November 9, 2004

To: Council Member Lisa Goodman, Community Development Cmte
Council Member Barbara Johnson, Ways and Means/Budget Cmte

Prepared by: Beverly A. Wilson, Planner III, Phone 612-673-5030

Presenter in Committee: Donna Wiemann, Senior Housing Project Coordinator, MultiFamily Housing Development, Phone 612-673-5257

Approved by: Elizabeth Ryan, Interim Director of Housing Policy and Development _____

Subject: Hiawatha Commons Tax Increment Finance Plan, Modification No. 14 to the Seward South Urban Renewal Plan, and Modification No. 102 to the Common Project

RECOMMENDATION: Schedule public hearing for consideration of the Hiawatha Commons Tax Increment Finance Plan, Modification No. 14 to the Seward South Urban Renewal Plan, and Modification No. 102 to the Common Project

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

Background/Supporting Information

Plan documents related to a proposed mixed use rental housing project has been proposed in the Longfellow neighborhood in Ward 9 of south Minneapolis: the Hiawatha Commons Tax Increment Finance (TIF) Plan, Modification No. 14 to the Seward South Urban Renewal Plan, and Modification No. 102 to the Common Development and

Redevelopment and Common Tax Increment Finance Plan (the "Common Project") (collectively, the "Plans").

Alliance Housing, Inc. (AHI) proposes to develop 80 units of rental housing over a floor of commercial space at the northwest corner of the Minnehaha Mall located at East Lake Street and Hiawatha Avenue. AHI's mission has been to create and operate affordable housing for homeless and low income people. The housing mix will be 40 efficiencies, 24 one-bedroom units, and 16 two-bedroom units. Sixteen units will be affordable to individuals and families at or below 30% of the Metropolitan Median Income (MMI), forty-eight units will be affordable to individuals and families at or below 60% of MMI, and 16 units will be market rate. There will be approximately 14,000 sq. ft. of ground floor commercial space, garage level and surface parking spaces.

It is requested that the Community Development Committee schedule a public hearing on the proposed Plans, to be held by the Community Development Committee on Tuesday, December 14, 2004, at 1:30 p.m. Final Council Action will be held on Thursday, December 23, 2004.

It is requested that the Ways and Means/Budget Committee review the proposed Plans and submit its comments at the public hearing to be held by the Community Development Committee on Tuesday, December 14, 2004.