

**Request for City Council Committee Action from the
Department of Community Planning and Economic
Development - CPED**

Date: November 27, 2007

To: Council Member Lisa Goodman, Chair, Community Development
Committee

Subject: Addition and deletion of parcels related to the Minneapolis Housing
Replacement Tax Increment Financing (TIF) District II

Recommendation: Adopt the attached resolution for the addition of 13 parcels to
and the deletion of 10 parcels from the Minneapolis Housing Replacement Tax
Increment Financing (TIF) District II.

Previous Directives: On August 22, 2003, the City Council adopted a Housing
Replacement District Plan and created the Housing Replacement TIF District II for
the City of Minneapolis. On June 18, 2004, the City Council approved the addition of
six parcels to the Housing Replacement District II. On October 12, 2004, the City
Council approved the addition of seven parcels to and the deletion of three parcels
from the Housing Replacement District II. On April 29, 2005, the City Council
approved the addition of three parcels to and the deletion of two parcels from the
Housing Replacement District II. On July 26, 2005, the City Council approved the
addition of six parcels to and the deletion of three parcels from the Housing
Replacement District II. On August 23, 2005, the City Council approved the addition
of four parcels to and deletion of one parcel from the Housing Replacement District
II. On July 21, 2006, the City Council approved the addition of twenty five parcels to
and deletion of three parcels from the Housing Replacement District II. On
November 7, 2006, the City Council approved the addition of three parcels to and
deletion of no parcels from the Housing Replacement District II. On March 7, 2007,
the City Council approved the addition of three parcels to the Housing Replacement
District II. On May 11, 2007, the City Council approved the addition of seventeen
parcels to and deletion of two parcels from the Housing Replacement District II.

Prepared by: Edith Johnson, Senior Project Coordinator, Phone 612-673-5262
Approved by: Charles T. Lutz, Deputy CPED Director _____
Approved by: Elizabeth Ryan, Director of Housing Policy and Development _____
Presenter in Committee: Edith Johnson, Senior Project Coordinator

Reviews

Permanent Review Committee (PRC)
Policy Review Group (PRG):

Approval ___N/A_X_ Date _____
Approval ___N/A_X_ Date _____

Financial Impact

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
- Action is within the Business Plan
- Action requires a change to the Business Plan
- Other financial impact
- Request provided to the Finance Department when provided to the Committee Coordinator

Community Impact

Neighborhood Notification: Not Applicable
 City Goals: A SAFE PLACE TO CALL HOME. In five years all Minneapolis residents will have a better quality of life and access to housing and services; residents will live in a healthy environment and benefit from healthy lifestyles; the city's infrastructure will be well-maintained and people will feel safe in the city.
 Sustainability Targets: Not Applicable
 Comprehensive Plan: Increase the city's population and tax base by developing and supporting housing choices citywide through preservation of existing housing and new construction.
 Zoning Code: Will apply where applicable
 Living Wage/Business Subsidy Agreement: Yes_____ No__X__
 Job Linkage: Yes_____ No__X__
 Other: Not Applicable

Supporting Information

The cost to acquire and remove severely deteriorated housing far exceeds what can be recovered from selling the land for new development. With diminishing federal and state resources for these types of activities, coupled with the increased costs of treating these deteriorating housing units, the city is limited in the total number of properties it can treat. The Housing Replacement District provides an invaluable tool and added mechanism for financing part of the cost of acquiring and removing substandard housing.

In order to facilitate the redevelopment of blighted properties, the Housing Replacement District II was created. The sole objective of the district is to facilitate acquisition, site preparation and disposition of properties currently containing either undeveloped land or vacant/substandard houses for purposes of rehabilitation or redevelopment as market rate housing. Market rate housing is defined as housing that has a market value that does not exceed 150% of the average market value of single family housing in the city.

There will be 13 properties added to the Minneapolis Housing Replacement Tax Increment Financing District II as allowed by the Housing Replacement District Plan approved by the Minneapolis City Council through Resolution 2003-386 on August 22, 2003. It is the intent that the properties being added to the district will be acquired and redeveloped as market-rate, owner-occupied housing units.

Parcels to be added to the District are:

<u>PIN Number</u>	<u>Address</u>
16-029-24-14-0186	2101 Dupont Avenue North
16-029-24-23-0012	2206 James Avenue North
21-029-24-32-0090	409 Logan Avenue North
16-029-24-14-0050	2125 Lyndale Avenue North
16-029-24-14-0051	2127 Lyndale Avenue North
16-029-24-14-0049	2131 Lyndale Avenue North
09-029-24-33-0214	2719 Oliver Avenue North
16-029-24-23-0089	2218 Penn Avenue North
08-029-24-44-0169	2747 Penn Avenue North
17-029-24-43-0195	2622 Plymouth Avenue North
08-029-24-44-0012	2747 Queen Avenue North
10-029-24-32-0040	3112 6 th Street North
16-029-24-22-0022	1815 26 th Avenue North

Staff determined that acquisition of the following properties is unlikely and/or redevelopment is unfeasible, therefore, will be deleted from the District.

Parcels to be deleted from the District are:

<u>PIN Number</u>	<u>Address</u>
09-029-24-11-0219	3442 Dupont Avenue North
09-029-24-12-0102	3411 Fremont Avenue North
04-029-24-43-0050	3730 Fremont Avenue North
04-029-24-12-0198	4219 Girard Avenue North
12-118-21-22-0129	5207 Girard Avenue North
09-029-24-24-0174	3301 Knox Avenue North
16-029-24-21-0068	2444 Logan Avenue North
16-029-24-23-0144	2020 Penn Avenue North
10-029-24-32-0001	3035 6 th Street North
09-029-24-13-0156	1109 33 rd Avenue North

With the addition of the 13 parcels and the deletion of the 10 parcels, there will be 100 parcels in the Minneapolis Housing Replacement Tax Increment Financing District II.

Adopting the Addition to and Deletion from Housing Replacement TIF District II of the Below Stated Parcels

RESOLVED BY THE CITY COUNCIL OF THE CITY OF MINNEAPOLIS:

Section 1. Recitals

Pursuant to Laws of Minnesota 2003, Chapter 127, Article 12, Sections 31-34, and Minneapolis Code of Ordinances, Chapter 415, the City of Minneapolis (the "City"), acting by and through its department of Community Planning and Economic Development, has been granted the authority to propose and implement city development districts, housing and redevelopment projects and tax increment financing districts, all pursuant to Minnesota Statutes, Sections 469.001 through 469.134, and 469.174 through 469.179, as amended, and Laws of Minnesota 1995, Chapter 264, Article 5, Sections 44 through 47, as amended by Minnesota Session Laws 1996, Chapter 471, Article 7, Minnesota Session Laws 1997, Chapter 231, Article 10, and Minnesota Session Laws 2002, Chapter 377, Article 7 (the "Act") and other laws enumerated therein (collectively, the "Project Laws"); and

By Resolution No 2003R-386 duly adopted on August 22, 2003, the City Council of the City (the "Council") adopted a resolution approving the Minneapolis Housing Replacement TIF District II Plan enabling the Agency to establish a Housing Replacement Tax Increment Financing District (the "District") within the City; and

That the Act and the Plan specify the procedures whereby parcels may be added to and deleted from the District; and

It has been proposed that the City adds 13 parcels to the District and deletes 10 parcels previously added to the District.

Section 2. Findings for the Adoption of the Plan

The Council hereby finds, determines and declares that these 13 parcels qualify for inclusion in the District pursuant to the Act and the Plan; and that the reasons and supporting facts for this determination are retained and available from the City.

The Council further finds, determines and declares that 10 properties are being deleted from the District.

The Council further finds, determines and declares that the intended acquisition of these properties did not take place and redevelopment did not occur, pursuant to the Project Laws.

The Council further finds, determines and declares that the properties to be added to and certified within the District do not include vacant parcels.

The Council further finds, determines and declares that the intended reuse of these properties is market-rate, owner-occupied housing, pursuant to the Project Laws.

The Council further finds, determines and declares that there will be 100 parcels in the Minneapolis Housing Replacement TIF District II with the inclusion and deletion of the parcels identified on Attachment 1 to this resolution. The maximum number of parcels that can be included in the District is 100 parcels.

NOW, THEREFORE, BE IT RESOLVED BY THE MINNEAPOLIS CITY COUNCIL AS FOLLOWS:

That the parcels listed in Attachment 1 are hereby approved for inclusion and/or deletion as part of the Minneapolis Housing Replacement TIF District II.

ATTACHMENT 1

Housing Replacement District II

Existing Housing Replacement District II Properties (97)

2505 Irving Avenue North

2509 Irving Avenue North

2709 Humboldt Avenue North

3010 Queen Avenue North

2354 James Avenue North

3243 Aldrich Avenue North

3210 Aldrich Avenue North

3250 6th Street North

3223 6th Street North

4515 5th Avenue South

2750 Thomas Avenue North

1900 Willow Avenue North-Lowell School Site Assemblage

1418 25th Avenue North

2627 Fremont Avenue North

1014 30th Avenue North

1316 14th Avenue North

1400 25th Avenue North

3246 Emerson Avenue North

2300 James Avenue North

2127 Queen Avenue North

3207 Bryant Avenue North

2517 James Avenue North

2641 Emerson Avenue North

2615 Thomas Avenue North

1518 Morgan Avenue North

2511 James Avenue North

2525 James Avenue North
2638 Colfax Avenue North
2814 Knox Avenue North
2542 17th Avenue South
2826 14th Avenue South
3504 Longfellow Avenue South
3343 Fremont Avenue North
630 19th Avenue NE
2751 Sheridan Avenue North
2119 James Avenue North
2302 Fremont Avenue North
419 31st Avenue North
427 31st Avenue North
428 31st Avenue North
429 31st Avenue North
1415 18th Avenue NE
3519 Oliver Avenue North
2534 James Avenue North
2530 James Avenue North
1620 26th Avenue North
1712 26th Avenue North
1716 26th Avenue North
5207 Girard Avenue North--**delete**
4219 Girard Avenue North--**delete**
3411 Fremont Avenue North--**delete**
3301 Knox Avenue North--**delete**
3730 Fremont Avenue North--**delete**
3442 Dupont Avenue North--**delete**
2101 Ilion Avenue North
1000 30th Avenue North
1109 33rd Avenue North--**delete**

406 30th Avenue North
420 30th Avenue North
409 31st Avenue North
415 31st Avenue North
424 31st Avenue North
3023 4th Street North
3035 6th Street North--**delete**
2619 Oliver Avenue North
2623 Oliver Avenue North
2655 Oliver Avenue North
2814 Oliver Avenue North
2020 Penn Avenue North--**delete**
2131 Penn Avenue North
2430 Penn Avenue North
2622 Penn Avenue North
2636 Penn Avenue North
2700 Penn Avenue North
2717 Penn Avenue North
2718 Penn Avenue North
2720 Penn Avenue North
2721 Penn Avenue North
2733 Penn Avenue North
2800 Penn Avenue North
1426 25th Avenue North
1705 25th Avenue North
1711 25th Avenue North
2444 Logan Avenue North--**delete**
2523 Logan Avenue North
2501 James Avenue North
2514 James Avenue North
1618 26th Avenue North

1614 26th Avenue North
1717 26th Avenue North
1709 26th Avenue North
2417 16th Avenue South
2419 16th Avenue South
2422 16th Avenue South
2424 16th Avenue South
2435 16th Avenue South
2439 16th Avenue South

Additions to Existing Housing Replacement District II (13)

2101 Dupont Avenue North
2206 James Avenue North
409 Logan Avenue North
2125 Lyndale Avenue North
2127 Lyndale Avenue North
2131 Lyndale Avenue North
2719 Oliver Avenue North
2218 Penn Avenue North
2747 Penn Avenue North
2622 Plymouth Avenue North
2747 Queen Avenue North
3112 6th Street North
1815 26th Avenue North

Deletion from the Existing Housing Replacement District II (10)

3442 Dupont Avenue North
3411 Fremont Avenue North
3730 Fremont Avenue North
4219 Girard Avenue North

5207 Girard Avenue North

3301 Knox Avenue North

2444 Logan Avenue North

2020 Penn Avenue North

3035 6th Street North

1109 33rd Avenue North