

Neighborhood Notification: NA

City Goals: Increase homeownership, eliminate barriers and blighting influences that prevent or inhibit healthy neighborhood environments and economies, increase the City's property tax base and maintain its diversity.

Comprehensive Plan: Development activities will conform to the City's and respective neighborhoods' land use plans.

Zoning Code: Complies

Living Wage/Job Linkage: NA

Other:

Background/Supporting Information

The cost to acquire and remove severely deteriorated housing far exceeds what can be recovered by selling the land for new development. With diminishing federal and state resources for these types of activities, 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 has been created. The sole objective is to facilitate the acquisition, site preparation and disposition of parcels currently containing either undeveloped land, or vacant or substandard houses for purposes of their rehabilitation or redevelopment as market rate housing.

The subject parcels to be included in the district include seven (7) vacant, single-family structures.

The seven (7) parcels containing structures are located at 2127 Queen Avenue North and 2340 Sheridan Avenue North in the Willard-Hay neighborhood; 3207 Bryant Avenue North in the McKinley neighborhood; 623 24th Avenue North in the Hawthorne neighborhood; 2517 James Avenue North and 2649 Humboldt Avenue North in the Jordan neighborhood; and 4230 Irving Avenue North in the Webber-Camden neighborhood. The intended reuse of these seven (7) properties is market-rate, owner-occupied housing. The current structures will either be rehabilitated or demolished for new construction.

The properties at 3207 Bryant Avenue North and 2127 Queen Avenue North are currently owned by the Department of Housing & Urban Development (HUD) and are being pursued for acquisition by the City of Minneapolis Department of Community Planning and Economic Development (CPED). The remaining six properties are privately owned. 2517 James Avenue North is currently vacant, boarded and

condemned due to extensive fire damage. 4230 Irving Avenue North is also vacant, boarded and condemned due to extensive fire damage. 2340 Sheridan Avenue North, 2649 Humboldt Avenue North and 623 24th Avenue North are vacant and condemned due to lack of utilities. All parcels are being actively pursued for acquisition by the City of Minneapolis Department of Community Planning and Economic Development.

These seven (7) parcels will be included in the Minneapolis Housing Replacement Tax Increment Financing District II as allowed for by the Housing Replacement District Plan approved by the City Council by Resolution 2003R-386 on August 22, 2003.

Parcels to be added to the District:

<u>PIN Number</u>	<u>Address</u>
17-029-24-14-0178	2127 Queen Avenue North
15-029-24-22-0046	623 24 th Avenue North
09-029-24-14-0181	3207 Bryant Avenue North
09-029-24-34-0174	2649 Humboldt Avenue North
16-029-24-21-0037	2517 James Avenue North
04-029-24-21-0028	4230 Irving Avenue North
17-029-24-11-0142	2340 Sheridan Avenue North

The following parcels will be deleted from the district as CPED staff have determined that either acquisition is unlikely and/or redevelopment unfeasible:

09-029-24-42-0126	2903 Fremont Avenue North
03-029-24-22-0072	3651 4 th Street North
09-029-24-14-0065	3300 Dupont Avenue North

With the deletion of these three (3) parcels and the addition of the above seven (7) parcels, there are now 29 parcels in the Minneapolis Housing Replacement Tax Increment Financing District II. The maximum number of parcels that can be placed in the District is 100.

1ST READING:
REFERRED TO (NAME OF) COMMITTEE:
PUBLIC HEARING:
2ND READING AND FINAL PASSAGE:

AN ORDINANCE of the CITY OF MINNEAPOLIS

_____ presents the following ordinance:

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

RESOLVED BY THE CITY COUNCIL OF THE CITY OF MINNEAPOLIS:

Section 1. Recitals

- 1.1 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
- 1.2 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
- 1.3 That the Act and the Plan specify the procedures whereby parcels may be added to and deleted from the District; and
- 1.4 It has been proposed that the City add seven parcels to the District and delete three parcels from the District.

Section 2. Findings for the Adoption of the Plan

- 2.1 The Council hereby finds, determines and declares that these seven 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 Agency.

- 2.2 The Council further finds, determines and declares that the property to be added to and certified within the District includes eight vacant, substandard single-family dwellings located at 2127 Queen Avenue North, 623 24th Avenue North, 3207 Bryant Avenue North, 2649 Humboldt Avenue North, 2517 James Avenue North, 2340 Sheridan Avenue North and 4230 Irving Avenue North.
- 2.3 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.
- 2.4 The Council further finds, determines and declares that there are now 29 parcels in the Minneapolis Housing Replacement District TIF II with the inclusion of the above named parcels. 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 above are hereby approved for inclusion as part of the Minneapolis Housing Replacement TIF District II.

Certified as an official action of the City Council:

RECORD OF COUNCIL VOTE (X INDICATES VOTE)													
COUNCIL MEMBER	AYE	NAY	NOT VOTING	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN	COUNCIL MEMBER	AYE	NAY	NOT VOTING	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN
President Ostrow							Goodman						
							Lilligren						
Zerby							Schiff						
Samuels							Niziolek						
Johnson							Benson						
Johnson Lee							Colvin Roy						
Zimmermann							Lane						

PASSED _____
DATE

APPROVED NOT APPROVED VETOED

ATTEST _____
CITY CLERK

MAYOR DATE