



Request for City Council Committee Action From the Department of Public Works

Date: June 24, 2003
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Barb Johnson, Chair Ways & Means Committee

Subject: **Acceptance of gift of land (lot 6, block 4, Girard Park Addition) from Kalsybro Company and authorization to proceed to use the donated land as part of a parking lot expansion for the parking lot at 50th and Ewing Avenue South.**

Recommendation:

1. That proper the City of Minneapolis accept a gift of land, Lot 6, Block 4, Girard Park Addition, from Kalsybro Company.
2. That prior to accepting such gift that staff be directed to perform such title searches and environmental assessments and testing as may be reasonable and prudent to protect the City from acquiring polluted or otherwise encumbered land.
3. That staff, upon determining that the donated land is compliant with environmental law and free of encumbrance shall undertake such reviews or actions as may be needed to determine the optimal method for adding parking space to the 50th and Ewing Lot. Staff shall be authorized to use architectural design services, seek issuance of a conditional use permit or zoning variances, and conduct public hearings, if required.
4. That staff, upon completing its studies and obtaining all permits, shall record title to the donated land and commence a parking lot expansion, to include the use of currently appropriated funds to resurface, restripe, light and beautify, the 50th and Ewing Lot.
5. Funds for the foregoing activities shall be taken from the City's Parking Fund consistent with such appropriations as were made for parking lot development at 50th and Ewing Avenue by CLIC initiated appropriations in 1999 and 2000 and that expenditures be in accordance with laws regarding Tax Increment Financing.

Previous Directives:

- 1999 Capital Long Range Improvement Committee Capital Resolution 98R-469 (authorized \$2,750,000.00 in bonds and appropriated \$150,000.00 from Parking Fund)
- 2000 Capital Long Range Improvement Committee Capital Resolution 99R-426 (appropriated \$210,000.00 from Parking Fund)

Prepared by: Michael W. Sachi, Parking and Skyway Systems Engineer, 673-2159

Approved by:

Klara A. Fabry, P. E., City Engineer, Director of Public Works

Presenters: Michael W. Sachi, Parking and Skyway Systems Engineer

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
- Action requires use of contingency or reserves
- Other financial impact (Explain): Appropriation occurred in 1999 and 2000 stipulating that funds be taken from Parking Fund current budget
- Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information:

The City of Minneapolis has used Tax Increment Financing (TIF) authority for development purposes in Southwest Minneapolis in the area of 50th and France Avenue South. One of these projects, known as "Pinehurst" included \$3,110,000 in 1999 and 2000 appropriations. The 1999 and 2000 appropriations contained a parking component as part of the overall project.

Old TIF laws such as those governing Pinehurst required a ten percent local match. The two CLIC (now referred to as Capital and Debt Management) appropriations in 1999 and 2000 called for the taking of \$360,000.00 from the Parking Fund to meet match requirements. Use of this \$360,000.00 in Parking Fund dollars in tandem with a land donation from a private party are the subject of this letter.

The \$360,000.00 in Parking Fund dollars were intended to be used in support of development of infrastructure and clearly contemplated parking lot expansion as a part of that picture. Consequently, approximately \$22,000.00 have been used for traffic signal enhancements but the remainder of the authority conferred by the appropriation remains.

Until recently little progress has been made towards the specific goal of expanded parking at 50th and Ewing. However, in January of this year a local businessman, Hosmer A. Brown, representing Kalsybro Company, indicated his willingness to donate a parcel of land (lot 6, block 4, Girard Park Addition) in an attempt to move along the idea of parking lot expansion at 50th and Ewing.

The issues involved in Mr. Hosmer's proposal and using donated land as part of a development project produced questions which were complicated in the context of development rights and contract law. Staff and Mr. Brown finally concluded that accommodation of Mr. Brown's offer of Lot 6 was best accomplished through the simple device of a land donation to be accepted by the City free of developmental promise or consideration.

Public Works is bringing the donation of Lot 6 to the City Council with the recommendation that if the land is accepted it be incorporated with the parking lot at 50th and Ewing and that the lot be reconfigured and expanded. The steps included in accepting the donation and implementing development involve title search and recordation, surveying and environmental assessment, obtaining variance approval and conditional use permits, hiring for architectural design, resurfacing of the existing lot, and providing lot beautification.

As already discussed, funds for the Ewing Lot expansion exist in the form of the 1999 and 2000 authorizations appropriating funds from the Parking Fund. In 2003 this implies a draw of an estimated \$160,000.00 for resurfacing of the parking lot plus time for staff, architectural services, recordation, permit applications, and installation of other improvements as may be required.

The parking lot at 50th and Ewing has approximately 60 stalls in its current configuration. The donated land has the potential of adding 8 stalls based on the new area being provided. Potentially more parking stalls could be added to lot, but such additional parking will have to be obtained through reconfiguration of existing space, making stalls smaller, and designing more compact spaces.

The existing parking lot at 50th and Ewing is City owned property and currently operated by the City's parking operator, Municipal Parking Incorporated.

C: Tim Blazina, Manager of Off Street Parking

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