



**Modification No. 105
to the
Common Development and Redevelopment and
Common Tax Increment Finance Plan
(St. Anthony Mills Apartments Tax Increment Finance
Plan)**

June 24, 2005

Prepared by Development Finance Division
105 5th Avenue South, Minneapolis, Minnesota 55401

**MODIFICATION NO. 105 TO THE
COMMON DEVELOPMENT AND REDEVELOPMENT PLAN
AND
COMMON TAX INCREMENT FINANCING PLAN
June 24, 2005**

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(This Table of Contents is not part of Modification No. 105 to the Common Development and Redevelopment Plan and Common Tax Increment Financing Plan, and is only for convenience of reference.)

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**Modification No. 105 to the
Common Development and Redevelopment Plan and Common Tax Increment
Finance Plan (St. Anthony Mills Apartments Tax Increment Finance Plan)
June 24, 2005**

Modifications No. 20 to the Industry Square Redevelopment Plan and this Modification No. 105 to the Common Development and Redevelopment and Common Tax Increment Finance Plan (the Common Project") have been prepared by the City to authorize public redevelopment activity necessary to assist with a mixed use project that has been proposed in the Riverfront area of downtown Minneapolis in the Historic Mills District.

Modification No. 20 to the Industry Square Redevelopment Plan authorizes the creation of a new TIF district as a tool for carrying out the redevelopment activities described therein. Because the Industry Square Redevelopment Project Area is within the boundary of the Common Project, Modification No. 105 to the Common Plan has also been prepared to reflect the authorization to pursue these redevelopment activities within a project that has been incorporated within the Common Project Area. However, the new TIF district is not being incorporated into the Common Project and will not be subject to the existing Common Project obligations and commitments, and is being created as a free-standing tax increment district.

Subsection A. 6. History of Establishment and Modification of Underlying Project Areas and Tax Increment Financing Districts Included in Common Project Area - **Changed**

<i>Project/District</i>	<i>Plan/Modification</i>	<i>Anticipated City Council Approval Date</i>	<i>Resolution Number</i>
Industry Square Redevelopment	Mod. No. 20	August 19, 2005	2005R-
Common Project	Mod. No. 105	August 19, 2005	2005R-

The St. Anthony Mills Apartments is a new construction, five-story structure that will consist of 93 rental units, 85 of which will provide affordable housing targeted to downtown workers and those dependant on public transportation. The project creates affordable housing in a moderately affluent community and will act to conceal the presence of a publicly owned parking facility located in the center of the block. The 324-stall public parking ramp currently under construction is scheduled for completion in July 2005, and will fulfill contractual commitments to the Mill City Museum and the Stone Arch Office Building. The Mill Quarter Municipal Ramp will be surrounded on three sides by the SAMA project. In September 2004, the Council approved selling the western portion of Parcel D East to Brighton Development Corporation for the construction of ownership condominium units (Park Avenue East Lofts).

The objectives of the Industry Square Redevelopment Plan will be accomplished through the following public and private redevelopment activities: acquisition, new

construction of housing units, public improvements, project administration and other related activities.

The unit mix will offer 15 efficiencies, 62 one bedroom units and 16 two bedroom units. Pending Section 8 Project Based voucher availability, 17 (18%) of the units will be targeted to households whose incomes are below 30% of the Area Median Income (AMI). Thirty-one (33%) of the units will target households at or below 50% of AMI. Thirty-seven units (40%) will serve those with incomes at or below 60% of AMI. The remaining 8 units (9%) will be considered market rate and will be under long-term lease to the Guthrie Theater for their artists in residence. The project includes approximately 5,500 square feet of ground floor commercial space, in two small commercial nodes – one on the corner of Chicago and Washington Avenue and one on the corner of Chicago and Second Street.

St. Anthony Mills Apartments will be built as liner on three sides of a municipal parking ramp that will serve downtown visitors and the Mill City Museum. Parking for St. Anthony Mills Apartments residents will be provided in the adjacent parking ramp. The project is within easy walking distance of two LRT stations and bus service is available outside the door of the project.