



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

Date: September 27, 2005

To: Council Member Lisa Goodman, Community Development Committee

Prepared by: Jerry LePage, Phone 612-673-5240

Presenter in

Committee: Jerry LePage, Project Coordinator

Approved by: Elizabeth Ryan, Director of Housing Policy & Development \_\_\_\_\_

**Subject:** Grain Belt Housing Project: Awarding of Low Bid of Veit & Company, Inc. in the amount of \$176,110 for the Demolition of 1221 Marshall Street on the Phase 1 Site

**RECOMMENDATION:** Acceptance of the low bid of Veit & Company, Inc. for the demolition of 1221 Marshall Street, and the authorization and direction of proper City officers to execute a contract in accordance with City specifications.

**Previous Directives:** 1) In August, 2000, the MCDA Board and City Council approved a modification to the Grain Belt Redevelopment Plan, which included the placement of the property at 132-34 13<sup>th</sup> Avenue NE in the possible acquisition category; 2) Over the past four years, the City Council has taken a number of actions with respect to the Grain Belt development proposal from the Sheridan Development Company, LLC (SDC) and the approval of redevelopment contract terms; 3) In September, 2003, the Council adopted the Grain Belt TIF Plan and related Plan modifications; and 4) In December, 2004, the Council approved a modification to the Grain Belt Redevelopment Plan removing certain properties on the 1300 block of Marshall Street NE (known as the "Dusty's Bar/Old Science" block) from the possible acquisition category.

**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

### **Community Impact**

**Ward:** Third.

**Neighborhood Notification:** The Sheridan Neighborhood Organization (SNO) has been notified that this report will be presented by the City Council.

**City Goals:** Foster the development and preservation of a mix of quality housing types that is available, affordable, meets current needs, and promotes future growth.

**Comprehensive Plan:** Minneapolis will increase its housing that is affordable to low and moderate income households (Section 4.10), and improve the availability of housing options to all of its citizens.

**Zoning Code:** The Grain Belt Phase I site will require a change in zoning to permit the housing development proposed by SDC.

**Living Wage/Job Linkage:** NA

**Other:**

### **Background/Supporting Information**

Pursuant to its redevelopment contract with the Sheridan Development Company, the City is completing the land assembly and site preparation for the Grain Belt Phase I site, which is the block on the east side of Marshall Street across from the Grain Belt Brewhouse. CPED has acquired the two remaining privately-owned properties on this block and is now ready to proceed with the demolition of the buildings and the preparation of the site for development. The acquisition, relocation, demolition, and site clearance costs for Grain Belt Phase I are being funded from a Metropolitan Council Livable Communities Development Account (LCDA) grant, which has already been appropriated. The City's contract with the Metropolitan Council requires the expenditure of these LCDA funds by December 31, 2005.

The acceptance of the low bid from Veit & Company, Inc. will allow CPED to proceed this fall with the demolition of 1221 Marshall Street (i.e. the Caswell Warehouse building). A companion report prepared by the Procurement Division of the City Finance Department is attached and has more details on the bidding process.