



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

**Date:** November 7, 2006

**To:** Council Member Lisa Goodman, Community Development Cmte  
Council Member Paul Ostrow, Ways and Means/Budget Cmte

**Prepared by:** Beverly A. Wilson, Development Process Specialist  
Phone 612-673-5030

**Presenter in Committee:** Jim Forsyth, Senior Project Coordinator  
Phone 612-673-5179

**Approved by:** Mike D. Christenson, Director of Economic Policy and Development

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**Subject:** Schedule Public Hearing for Modifications to Southeast Minneapolis Industrial (SEMI) Redevelopment and TIF Plans for Pooling in Bioscience Sub-zone

**RECOMMENDATION:** Schedule public hearing for consideration of Modification No. 8 to the Southeast Minneapolis Industrial (SEMI) Area Redevelopment Plan, Modification No. 1 to the SEMI Area Phase 1 TIF Plan #69, Modification No. 2 to the SEMI Area Phase 2 TIF Plan #72, Modification No. 2 to the SEMI Area Phase 3 TIF Plan #79 and Modification No. 1 to the SEMI Area Phase 5 TIF #91 (the "Modifications"); and request Ways & Means/Budget Committee review subject Modifications and submit its comments at the Community Development Committee public hearing scheduled for December 12, 2006.

**Previous Directives:** Not Applicable.

**Financial Impact** (Check those that apply)

- No financial impact - or - Action is within current department budget.  
(If checked, go directly to next box)
- 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

## **Background/Supporting Information**

During the 2003 1<sup>st</sup> Special Session of the Minnesota Legislature, Chapter 21, Article 2 was enacted, establishing a program for creation of the Bioscience Zone program. The program allowed the establishment of bioscience sub-zones. Minneapolis applied for and was granted designation of a sub-zone that included a 250-acre portion of the SEMI Redevelopment Project. Legislation in 2005 that was amended in 2006 allowed for tax increment revenue generated within designated bioscience sub-zones to be pooled to finance public infrastructure within the bioscience sub-zone. The sub-zone area within SEMI is to a great extent devoid of public infrastructure.

Modifications have been prepared to amend four SEMI Area TIF Plans to permit pooling of tax increment revenue for costs associated with construction of public infrastructure in the Bioscience Sub-zone of the SEMI Redevelopment Project.

Infrastructure projects that will be funded in part by this source will include roadways, stormwater management systems and associated public infrastructure (water supply, storm and sanitary sewers, sidewalks, and lighting). Roadways that will be constructed include the realignment of Kasota Avenue and, to the extent that funds are available, construction of Granary Road and associated infrastructure.

It is requested that the Community Development Committee schedule a public hearing on the proposed Modifications, to be held by the Community Development Committee on Tuesday, December 12, 2006 at 1:30 p.m. Final Council action will be held on Friday, December 22, 2006.

It is requested that the Ways and Means/Budget Committee review the proposed Modifications and submit its comments at the public hearing to be held by the Community Development Committee on Tuesday, December 12, 2006.