

Minneapolis Community Development Agency

**Request for City Council Action**

Date: July 29, 2003

To: Council Member Lisa Goodman, Community Development Committee  
Council Member Barbara Johnson, Ways and Means/Budget Committee

Refer to: MCDA Board of Commissioners

Prepared by: Beverly A. Wilson, Planner III, Phone 612-673-5030

Presented by: Darrell Washington, Project Coordinator III, Phone 612-673-5174

Approved by: Lee Sheehy, MCDA Executive Director  
Chuck Lutz, MCDA Deputy Executive Director \_\_\_\_\_

**SUBJECT: Proposed Modification to Grant Urban Renewal Plan; and  
Modification to Common Plans**

**Previous Directives:** Not Applicable.

**Ward:** 5

**Neighborhood Group Notification:** Northside Residents Redevelopment Council and Harrison Neighborhood Association

**Consistency with *Building a City That Works*:** Not Applicable.

**Comprehensive Plan Compliance:** Not Applicable.

**Zoning Code Compliance:** Not Applicable.

**Impact on MCDA Budget:** (Check those that apply) Not Applicable.

- No financial impact
- Action requires an appropriation increase to the MCDA Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):

**Living Wage / Business Subsidy:** Not Applicable.

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**Job Linkage:** Not Applicable.

**Affirmative Action Compliance:** Not Applicable.

**RECOMMENDATION:** The Deputy Executive Director recommends that the City Council Community Development Committee schedule a public hearing to be held on August 12, 2003 for the proposed Modification No. 15 to the Grant Urban Renewal Plan and Modification No. 95 to the Common Plans (the “Modifications”); and it is recommended that the Ways and Means/Budget Committee review the proposed Modifications and submit its comments at the Community Development Committee public hearing scheduled for Tuesday, August 12, 2003.

These Modifications designate parcels as Property That May Be Acquired. The parcels are located within the boundary of the Grant Urban Renewal Plan, and because the Grant Urban Renewal Plan is within the boundary of the Common Development and Redevelopment Project, a Modification to the Common Plans has been prepared. The Modifications authorize public redevelopment activity that will be undertaken in conjunction with the Heritage Park Project, a mixed use, mixed income community that replaces the former Sumner-Field, Olson, Glenwood, and Lyndale family public housing developments.

The Minneapolis Community Development Agency prepared the proposed Modifications and transmitted them to interested parties for review and comment on July 11, 2003. Comments have been requested and are due at the Agency by August 11, 2003.

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, August 12, 2003, at 1:30 p.m. Final Council and MCDA Board Action will be held on Friday, August 22, 2003.

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, August 12, 2003.

# Modification No. 15 to the

Grant Urban Renewal Area

and

# Modification No. 95 to the Common Development and Redevelopment and Common Tax Increment Finance Plan

July 11, 2003

## Introduction

Modification No. 15 to the Grant Urban Renewal Plan and Modification No. 95 to the Common Development and Redevelopment and Common Tax Increment Finance Plan (the "Common Plans") reflect the designation of parcels within the Grant Urban Renewal TIF District as property that may be acquired. Because the Grant Urban Renewal Project is within the boundary of the Common Plans, a Modification to the Common Plans has been prepared. The Modifications authorize public redevelopment activity that will be undertaken in conjunction with the Heritage Park Project, a mixed use, mixed income community that replaces the former Sumner-Field, Olson, Glenwood, and Lyndale family public housing developments.

## Background

Four public housing developments, Sumner-Field, Olson, Glenwood, and Lyndale, formerly located on the site, were the subject of a 1992 lawsuit, *Hollman vs. Cisneros*. The lawsuit was filed in order to deconcentrate public housing, offer greater housing choices for low-income families and provide better quality housing. The Federal District Court approved the lawsuit settlement in April 1995. Since then, the Minneapolis Public Housing Authority (MPHA) and the city have been working with input and support from the community to implement the settlement and legal obligation under the Consent Decree which will create a new mixed-income community on the Near North Side of Minneapolis, and new public and affordable housing units throughout the city and suburbs. A redevelopment project area and tax increment district (Heritage Park) were created for this project.

## Property Acquisition

1. List of Property That May Be Acquired

By including in this Modification a list of property that may be acquired, the Agency is signifying that it is interested in acquiring the property listed, or portions thereof, subject to limitations imposed by availability of funds, developer interest, staging requirements, soil contamination and other financial and environmental considerations. Inclusion on this list does not indicate an absolute commitment on the part of the Agency to acquire a property.

The Grant Urban Renewal Project Area contains the following parcels that are included in this Modification as property that may be acquired:

Address	Owner	Property ID
1000 Humboldt Avenue North	Elmer Enterprises LLC	21-029-24-12-0117
1146 Emerson Avenue North	Krey Construction Co. Inc.	21-029-24-12-0082

1101 Plymouth Avenue North	Winslow Printing Co.	21-029-24-12-0116
1109 12 <sup>th</sup> Avenue North	MCDA	21-029-24-12-0123

## 2. Conditions Under Which Property May Be Acquired

State law authorizes the Agency to acquire property either on a negotiated basis or through the use of its power of eminent domain, if necessary, to carry out a redevelopment plan. The Agency will seek to acquire property from willing sellers whenever possible, but may use the power of eminent domain and its condemnation authority to acquire property identified as “property that may be acquired” when necessary.

### **Project Acquisition Map – Changed**

The revised Project Acquisition Map is attached as Exhibit #1.

**MODIFICATION NO. 95  
TO THE  
COMMON DEVELOPMENT AND REDEVELOPMENT PLAN  
AND COMMON TAX INCREMENT FINANCE PLAN**

**(Modification No. 15 to the Grant Urban Renewal Plan)**

July 11, 2003

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**Introduction** Modification No. 95 to the Common Development and Redevelopment Plan and Common Tax Increment Finance Plan (the Common Plans), and Modification No. 15 to the Grant Urban Renewal Plan – have been prepared by the Minneapolis Community Development Agency (the MCDA or Agency) to designate parcels as Property That May Be Acquired. Because the Grant Urban Renewal Project is within the boundary of the Common Plans, a Modification to the Common Plans has been prepared. The Modifications authorize public redevelopment activity that will be undertaken in conjunction with the Heritage Park Project, a mixed use, mixed income community that replaces the former Sumner-Field, Olson, Glenwood, and Lyndale family public housing developments.

**SECTION A. COMMON DEVELOPMENT AND REDEVELOPMENT PLAN**

**Subsection A.1. Mission Statement – No Change**

**Subsection A.2. Definitions – No Change**

**Subsection A.3. Description of Public Purpose – No Change**

**Subsection A.4. Objectives of the Common Project – No Change**

**Subsection A.5. Structuring of the Common Project – No Change**

**Subsection A.6. History of Establishment and Modification of Projects and TIF Districts Included in Common Project Area (Changed)**

Subsection A.6. is modified to include the following information:

<b>Underlying Project</b>	<b>Plan or Modification</b>	<b>City Council Approval Date</b>	<b>Resolution Number</b>
Modification No. 15 to the Grant Urban Renewal Plan	Modification No. 95 to the Common Development and Redevelopment and Common Tax Increment Finance Plan	August 22, 2003	2003R-____

- Subsection A.7. Estimated Public Improvement Costs (No Change)**
- Subsection A.8. Boundaries of the Common Project Area (No Change)**
- Subsection A.9. Development Program Requirements (No Change)**
- Subsection A.10. Modifications to Common Development and Redevelopment Plan (No Change)**
- Subsection A.11. Neighborhood Revitalization Program (No Change)**

**SECTION B. COMMON TAX INCREMENT FINANCE PLAN**

- Subsection B.1. Summaries of Participating Tax Increment Financing Districts (No Change)**
- Subsection B.2. Boundaries of Participating Tax Increment Financing Districts (No Change)**
- Subsection B.3. Statement of Objectives and Development Program, Including Property to be Acquired (Changed)**

**Property Acquisition**

1. List of Property That May Be Acquired

By including in this Modification a list of property that may be acquired, the Agency is signifying that it is interested in acquiring the property listed, or portions thereof, subject to limitations imposed by availability of funds, developer interest, staging requirements, soil contamination and other financial and environmental considerations. Inclusion on this list does not indicate an absolute commitment on the part of the Agency to acquire a property.

The Grant Urban Renewal Project Area and TIF District contains the following parcels that are included in this Modification as property that may be acquired:

<b>Address</b>	<b>Owner</b>	<b>Property ID</b>
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1000 Humboldt Avenue North	Elmer Enterprises LLC	21-029-24-12-0117
1146 Emerson Avenue North	Krey Construction Co. Inc.	21-029-24-12-0082
1101 Plymouth Avenue North	Winslow Printing Co.	21-029-24-12-0116
1109 12 <sup>th</sup> Avenue North	MCDA	21-029-24-12-0123

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- Subsection B.4. Properties to be Deleted from Participating Tax Increment Financing Districts (No Change)**
- Subsection B.5. Development Activity in the Common Project for Which Contracts Have Been Signed and Other Specific Development Is Expected to Occur (No Change)**
- Subsection B.6. Description of Financing (No Change)**
- Subsection B.7. Estimated Impact on Other Taxing Jurisdictions and But For Statement (No Change)**
- Subsection B.8. Modifications to Common Tax Increment Financing Plan (No Change)**
- Subsection B.9. Neighborhood Revitalization Program (No Change)**