



**Request for City Council Committee Action
From the Office of the City Coordinator**

Date April 6, 2004

To: Sandra Colvin Roy, Chairperson
Transportation & Public Works Committee

Referral to: Lisa R. Goodman, Chairperson
Community Development Committee

**Subject 2004 Transit Oriented Development Applications from the
City of Minneapolis to Hennepin County**

Prepared or Submitted by Michy Wells, Planner II, 673-2588

Approved by John Moir, City Coordinator _____

Presenter in Committee: Michy Wells

Recommendation

Authorize staff to submit Minneapolis grant applications to Hennepin County for 2004 Transit Oriented Development (TOD) funding of city projects for consideration.

Authorize staff to review and rank the City's 2004 TOD Application materials based on criteria set by Hennepin County and current adopted City of Minneapolis priorities.

Direct staff to return to committee 1) for endorsement of the prioritized 2004 TOD Minneapolis projects, and 2) to forward the City's TOD recommendations to the Hennepin County Review Committee for final consideration no later than the end of April 2004.

Previous Directives - 2003 TOD cycle; City's Grant Guidelines.

Financial Impact - Applicants from within city departments indicate action is within the current department budget.

Community Impact - Neighborhood Notification; City Goals; Comprehensive Plan; Zoning Code.

Background/Supporting Information

The Hennepin County Board of Commissioners included \$2 million in bonding for Transit Oriented Development (TOD) in its 2004 capital budget. Hennepin County may offer either grants or loans to approved applicants. Grant funds are provided on a reimbursement basis only.

TOD selection criteria and guidelines are designed to support both redevelopment and new construction. Each applicant project must: 1) Be in redevelopment areas, 2) Have multi-jurisdictional impact and 3) Enhance transit usage AND

- Reinforce both the community and the transit system
- Exhibit a compact and efficient use of available space, rather than auto-oriented sprawl
- Contain a diversity and mix of uses with daily conveniences and transit at the center
- Support a pedestrian-friendly, physical design that encourages walking, bicycling and access for people with physical disabilities
- Are a maximum comfortable walking distance to transit (roughly one-fourth mile for existing transit stops or one-half mile for rail-based)

Eligible 2004 TOD applicants include cities, development authorities and private entities. Hennepin County has established the following eligible areas that include, but are not limited to: 29th Street Midtown Greenway; Hiawatha LRT Corridor; Northeast Diagonal, Dakota Rail Line, Southwest Corridor; and the County Road 81 Northwest Corridor, including Lowry and Broadway. Applicants must document access to existing and enhanced bus transit service, where applicable. Allowable costs include:

- a) Acquire real property for the purpose of removing, preventing or reducing blight, blighting factors or the causes of blight;
- b) Clear acquired property and install streets, utilities, and site improvements for uses in accordance with the redevelopment project;
- c) Sell or lease acquired land for uses in accordance with the redevelopment plan;
- d) Prepare a redevelopment plan and incur initiation, planning, survey and other administrative costs of a redevelopment project; and
- e) Conduct an urban renewal project:
 - voluntary or compulsory repair and rehabilitation of buildings or other improvements
 - demolition, removal, or rehabilitation of buildings and improvements
 - installation, construction, or reconstruction of streets, utilities, parks playgrounds and other improvements
 - dispose of property
 - relocation within or outside the project area of structures that will be restored and maintained for architectural or historic purposes
 - restoration or acquired properties of historic or architectural value construction or foundations and platforms necessary for the provision of air rights sites.

Hennepin County asks that the City prioritize its projects.

The following table summarizes 2004 TOD Applicant information.

Cedar Lake Midtown Revival

Applicant: Joint Venture-Cedar Lake Development Partners: Lupe Dev. Partners, LLC & Welsh Cos, Inc., selected by City's competitive RFP to redevelop this site. Total 2004 TOD Request \$500,000;
Other Funding Sources: (pending)

The project will be developed in two phases to consist of two structures with 48,000 sq. ft. of commercial/retail space and 114 workforce housing units. The site is located in where there are a variety of blighted, low intensity retail and vacant properties.

Location: Cedar Av. 19th Av., Lake St. and 31st St., Minneapolis, MN 55408 Ward 9.

Project Contact: Steve Minn, Lupe Dev. Partners. Joint venture: Lupe Dev. Partners, LLC and Welsh Cos, Inc;
CPED Contact: John Harrington (612) 673-5018

Cedar Riverside LRT Station TOD Neighborhood Improvement Project

Applicant: City of Minneapolis - CPED - Total 2004 TOD Request \$150,000
Other Funding Sources: \$130,000 is appropriated in CPED Hiawatha LRT Station Enhancement Set-aside although not been formally allocated to a specific project.

This project includes enhanced pedestrian and bike connections, personal safety, wayfinding and environmental improvements between the LRT station, and the surrounding neighborhood. It will incorporate transit with major housing development, employment, educational services, and new commercial business.

Location: Cedar Riverside LRT Station area, Minneapolis, MN 55454 (Cedar Av., I-94, I-35, 4th St) Ward 2.

Project Contact: Mark Garner, CPED (612) 673-2728

Colin Powell Youth Leadership Center

Applicant: Urban Ventures Leadership Foundation - Total 2004 TOD Request \$500,000
Other Funding Sources: pending requests, including over \$4 million included in the Governor's state bonding request. Private and corporate requests are also pending. There are currently no city funds.

The Colin Powell Youth Leadership Center will serve 25,000 youth annually through after-school and weekend programming. Programs include tutoring, character building retreats, career exploration activities, organized sports, mentoring and performing arts. The Center will also serve as an ancillary site for the MN Air National Guard.

Location: 2900 4th Av. S; Minneapolis, MN 55408 in the Midtown Greenway area (from 29th Av. On the North, Clinton Av. on the West, 4th Av. on the East and 2/3 of the way to Lake St. on the South.) Ward 8.

Project Contacts: Stephanie Carlson, Sr. Project Director. CPED contact Lonnie Nichols (612) 673-5468

Hi-Lake TOD Project

Applicant - Wellington Management - Total 2004 TOD Request \$200,000
Other Funding Sources: The private funding is \$6,000,000. Currently no City funding is anticipated.

Extensive rehabilitation of Hi Lake, including security, increased green space and façade improvements will begin shifting the mall to a pedestrian orientation with light rail and bus links. Future phases include affordable housing interfacing with a transit plaza and plans to increase the density of retail space.

Location: 2106 to 2218 E. Lake St., Minneapolis, MN 55407. (Lake St. at 21st Av/29th St./Hiawatha Light Rail). Ward 9.

Project Contact: Curt Milburn, Wellington Management. John Harrington, CPED 612-673-5018

Lowell School Site

Applicant - Project for Pride in Living - Total 2004 TOD Request \$120,000

Other Funding Sources: Pending MHFA CRV/deferred loan for affordable gap funds.

PPL was selected in 2002 by the neighborhood and the city to develop the Lowell School Site. The redevelopment plan is to develop fourteen single-family houses on the Lowell School Site, which PPL has site control and a signed development agreement. It continued to have the support of the neighborhood and CPED.

Location: 2009 Willow Avenue N, Minneapolis, MN 55411. Ward 3

Project Contact: Sarah Larson, PPL; Theresa Cunningham, CPED (612) 673-5237

Midtown Exchange

Applicant - Sherman Associates - Total 2004 TOD Request \$750,000

Other Funding Sources: pending; the developer will request TIF financing.

This is redevelopment of the existing Sears building into three main components: the corporate headquarters of Allina, a "Global Market" retail development, and housing. This proposal includes a housing component of 211 one and two bedroom rental units and 82 for sale condominiums.

Location: 2929 Chicago Av., Minneapolis, MN 55407. Ward 8

Project Contact: Elizabeth Flannery, Sherman Associates. Kevin Dockry, CPED 673-5075

Nicollet Commons Condominiums

Applicant - Lyndale Neighborhood Development Corporation - Total 2004 TOD Request \$100,000

Other Funding Sources: Purchasing land from the City of Minneapolis

This development is a 3.5 story residential building with 34 units on Nicollet Av. At 33rd St. The owner-occupied one- and two-bedroom units will be marketed to area residents with incomes below 80% of the Area Median Income, with 25% of the units targeted below 70%.

Location: 3310-3314 Nicollet Av. S., Minneapolis, MN, 55408. Ward 10.

Project Contact: Cara Letofsky, Lyndale Neighborhood Dev. Corp. Bernadette Lynch, CPED (612) 673-5236

Saint Anthony Mill Apartments, Phase 2

Applicant - Brighton Development Corporation - Total 2004 TOD Request \$300,000

Other Funding Sources: Tax Exempt Revenue Bonds - \$4,539,352. No City Funds are obligated: -\$0-

Brighton Development Corporation proposes constructing the Saint Anthony Mill Apartments (Phase 2) containing 42 affordable units on Parcel D East in the Industry Square Redevelopment Area. Funding for land acquisition, site improvements, and utilities is necessary to fill the existing project funding gap.

Location: Chicago Avenue between Second Street South and Washington Av., Minneapolis, MN 55401; Ward 2

Project Contact: Richard Victor, CPED (612) 673-5026