

**Request for City Council Committee Action from the Department of Community Planning and Economic Development - CPED**

Date: June 10, 2008  
To: Council Member Lisa Goodman, Chair Community Development Committee  
Referral to: Council Member Paul Ostrow, Chair Ways & Means/Budget Committee  
**Subject:** 38<sup>th</sup> & Chicago Redevelopment Plan (**REVISED**)

**Recommendation:** Hold Public Hearing and adopt attached resolution approving the creation of the 38<sup>th</sup> & Chicago Redevelopment Plan

**Previous Directives:** (1) On March 21, 2008, the City Council adopted the *38th St & Chicago Ave Corridor Framework/Small Area Plan: with focus on Chicago, Bloomington and 4th Ave Business Nodes*.

Prepared by: Rebecca Brown, Project Coordinator (673-5018)

Approved by: Charles T. Lutz, Deputy CPED Director \_\_\_\_\_

Catherine A. Polasky, Economic Policy and Development Director \_\_\_\_\_

Presenter in Committee: Rebecca Brown

**Financial Impact**

No financial impact

Action is within the Business Plan

**Community Impact**

Neighborhood Notification: The 45-day neighborhood review ends June 8, 2008, a few days after this report was submitted for consideration. Staff will bring any subsequent comments to the committee meeting. Staff notified four neighborhoods of this action: Bancroft Neighborhood Association, Bryant Neighborhood Organization, Central Area Neighborhood Development Organization, and Powderhorn Park Neighborhood Association.

\* Powderhorn Park Neighborhood Association approved the moved to support the plan on May 8, 2008.

\* Central Area Neighborhood Development Organization moved to support the plan at their regular monthly meeting on May 15, 2008.

\* Bancroft Neighborhood Association will consider the plan at their full board meeting June 12.

\* Bryant Neighborhood Organization did not make a formal statement on the plan.

City Goals: One Minneapolis \* Connected communities \* Enriched environment \* A premier destination

Sustainability Targets: Economically active neighborhood commercial nodes create attractive urban neighborhoods for redevelopment, support efficient growth, and reduce the need for car travel to obtain necessary goods and services.

Comprehensive Plan: 4.1 Encourage reinvestment along major corridors

- 4.2 Coordinate land use and transportation planning on designated Community Corridor streets through attention to the mix and intensity of land uses, the pedestrian character and residential livability of the streets
- 4.4 Provide a wide range of goods and services for city residents, to promote employment opportunities, encourage the use and adaptive reuse of existing commercial buildings, and to maintain and improve compatibility with surrounding areas

Zoning Code: N/A

### **Supporting Information**

The 38<sup>th</sup> & Chicago Redevelopment Plan includes 33 parcels at the intersection of East 38<sup>th</sup> Street and Chicago Avenue South. The redevelopment plan would establish the City's legal redevelopment authority to acquire and dispose of key properties for commercial redevelopment purposes, laying the foundation for the City to play a role in achieving the goals, recommendations, and tasks as set forth in the *38th St & Chicago Ave Corridor Framework/Small Area Plan*, adopted by City Council on March 21, 2008. The small area plan was a product of an extensive community engagement process, "to support the ongoing improvement and revitalization of the area of 38<sup>th</sup> Street and Chicago Avenue by proposing specific policies and strategies to guide its evolution."

The plan lists 3749 Chicago Avenue South and 3744 Chicago Avenue South as "property that may be acquired." The City may choose to purchase these properties subject to limitations imposed by law, availability of funds, developer interest, staging requirements, soil contamination, and other financial and environmental considerations. Inclusion on the redevelopment plan list of properties for acquisition does not indicate a commitment on the part of the City to acquire a property.

The inclusion of 3749 and 3744 Chicago Avenue South as properties for possible acquisition by the City, allows staff to negotiate a voluntary purchase from the owner(s). These two key properties, one a historic theater used for auto repair and the second a corner gas station, could be important catalyst sites for area revitalization. A viable end use would be identified prior to City acquisition, following standard CPED acquisition procedures and due diligence. The City would likely use the [Capital Acquisition Revolving Fund](#) (CARF) to fund the acquisition. The Capital Acquisition Revolving Fund provides funding for CPED acquisition of commercial development sites on or near community, commercial, and transit corridors as defined in *The Minneapolis Plan*.

### **Attachments**

A: 38<sup>th</sup> & Chicago Redevelopment Plan