



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

Date: September 14, 2004

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

Prepared by: Judy Cedar , Phone 612-673- 5025
Bernadette Hornig, Phone 612-673-5236

Presenter in Committee: Judy Cedar, Project Coordinator

Approved by: Chuck Lutz, Deputy CPED Director _____

Subject: Public Hearing and Adoption of Resolution Related to
Eden/Lindquist Redevelopment Plan

RECOMMENDATION: The CPED Executive Director recommends approval of the attached resolution adopting the Eden/Lindquist Redevelopment Plan.

Previous Directives: Council approved up to \$525,000 from 2002 MF Rental and Cooperative Program for Lindquist Apartments, \$30,000 Non-Profit Administration funding for RS Eden and an appropriation increase of \$518,599 in June, 2003.

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

Community Impact (Summarize below)

Ward: 5

Neighborhood Notification: West Broadway Area Coalition and Northside Residents Redevelopment Council have reviewed and support the Eden/Lindquist

Project and received information regarding this proposed Plan July 30, 2004.

City Goals: The Eden/Lindquist Project addresses Goal 4 (Create an environment that maximizes economic development opportunities within Minneapolis by focusing on the City's physical and human assets) and Goal 5 (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: The Eden/Lindquist Project is consistent with the Comprehensive Plan, especially principals found in 4. Marketplaces: Neighborhoods 4.1, 4.2, 4.3, 4.10, 4.11, and 4.12.

Zoning Code: The site, located at 1927-35 West Broadway, is zoned category C-1. Preliminary site reviews and zoning reviews indicate that the project will conform to the existing zoning ordinance.

Living Wage/Job Linkage: The Eden/Lindquist Project is not subject to living wage/job linkage. However, the developer estimates the creation of eight (8) new jobs and the transfer of 35 existing jobs from another location of the metropolitan region.

Background/Supporting Information

The proposed Eden/Lindquist Redevelopment Project is located at 1927-1935 West Broadway, within the Willard Hay neighborhood in north Minneapolis. RS Eden, a multi-service agency providing substance abuse treatment, community corrections, drug testing programs, and supportive housing, will construct a four-story mixed-use building providing 24 affordable supportive rental units for at-risk youth, two one-bedroom units for staff caretakers, commercial space, and agency headquarters for RS Eden.

The proposed Eden/Lindquist Redevelopment Plan establishes a new redevelopment project area encompassing the development site, establishes objectives for redevelopment, and identifies future land uses for the project area. The creation of this Plan will also qualify Eden/Lindquist for a Hennepin County TOD (transit-oriented development) grant.

Total development cost estimates for this project equal \$5,962,333. Sources of funding in the amount of at least \$4,834,591 have been committed and the identification of additional funding sources is ongoing.

Adopting the Eden/Lindquist Redevelopment Plan

RESOLVED BY THE CITY COUNCIL OF THE CITY OF MINNEAPOLIS:

Section 1. Recitals

- 1.1 Pursuant to Laws of Minnesota 2003, Chapter 127, Article 12, Sections 31-34, and Minneapolis Code of Ordinances, Chapter 415, the City of Minneapolis (the “City”), acting by and through its department of Community Planning and Economic Development (“CPED”), has been granted the authority to propose and implement city development districts, housing and redevelopment projects and tax increment financing districts, all pursuant to Minnesota Statutes, Sections 469.001 through 469.134, and 469.174 through 469.179, as amended, and other laws enumerated therein (collectively, the “Project Laws”).
- 1.2 CPED has prepared facts and this Council has investigated the facts with respect to a proposed Eden/Lindquist Redevelopment Plan (the “Plan”). The Plan creates a new redevelopment project area (the “Project Area”) to facilitate redevelopment at 1927-1935 West Broadway through the construction of commercial space and affordable rental housing units, all pursuant to and in accordance with the Project Laws.
- 1.3 The City has performed all actions required by law to be performed prior to the adoption of the Plan, including, but not limited to, a review of the proposed Plan by the affected neighborhood groups and the City Planning Commission, and the holding of a public hearing after published and mailed notice as required by law.
- 1.4 The Council hereby determines that it is necessary and in the best interests of the City at this time to approve the Plan.

Section 2. Findings for the Adoption of the Plan

- 2.1 The Council hereby finds, determines and declares that the objectives and actions authorized by the Plan are all pursuant to and in accordance with the Project Laws.
- 2.2 The Council hereby finds, determines and declares that the Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the redevelopment of the Project Area by private enterprise. The proposed redevelopment removes blight and blighting influences, provides decent, safe

and sanitary dwellings for persons of low and moderate income, and encourages housing density near transit corridors.

- 2.3 The Council hereby finds, determines and declares that the Eden/Lindquist Redevelopment Project (the “Redevelopment Project”) qualifies as a Redevelopment Project as defined in the Minnesota Housing and Redevelopment Authorities Act (Minnesota Statutes, Section 469.002, Subdivisions 14 and 16). The Project Area qualifies as a “blighted area” as defined in the Minnesota Housing and Redevelopment Authorities Act (Minnesota Statutes, Section 469.002, Subdivision 11).
- 2.4 The Council hereby finds, determines and declares that the Project Area includes three vacant lots that contained building structures in the past, and that these properties create a hazard to adjacent properties and the area as a whole. The vacant lots undermine the value of adjacent property, are an uneconomic use of the land, and are considered a blighting condition.
- 2.5 The Council further finds, determines and declares that the Plan conforms to the general plan for the development or redevelopment of the City as a whole. Written comments of the Planning Commission with respect to the Plan were issued, are incorporated herein by reference, and are on file in the office of the City Clerk.
- 2.6 The Council further finds, determines and declares that it is necessary and in the best interests of the City at this time to approve the Plan.

Section 3. Approval of the Plan; Creation of Project Area

- 3.1 Based upon the findings set forth in Section 2 hereof, the Eden/Lindquist Redevelopment Plan presented to the Council on this date is hereby approved and shall be placed on file in the office of the City Clerk.

Section 4. Implementation of the Plan

- 4.1 The officers and staff of the City, and the City's consultants and counsel, are authorized and directed to proceed with the implementation of the Plan, and for this purpose to negotiate, draft, prepare and present to this Council for its consideration, as appropriate, all further modifications, resolutions, documents and contracts necessary for this purpose.



Eden/Lindquist Redevelopment Plan

August 13, 2004

Prepared by:

Development Finance Division
Finance Department, City of Minneapolis
105 5th Avenue South, Minneapolis, Minnesota 55401

**Eden/Lindquist Redevelopment Plan
August 13, 2004**

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Eden/Lindquist Redevelopment Plan

August 13, 2004

Introduction and Background

The RS Eden/Lindquist Apartments project at 1927–1935 West Broadway is a mixed-use development providing 24 affordable supportive rental units for at-risk youth, two one-bedroom units for staff caretakers, commercial space, and agency headquarters for RS Eden, a multi-service agency providing substance abuse treatment, community corrections and drug testing programs, and supportive housing services.

City of Minneapolis assistance to the proposed development includes a Multifamily Rental and Cooperative Housing Program (Affordable Housing Trust Fund) loan, Low Income Housing Tax Credits, and Non-Profit Development Assistance funds. A request for assistance from the Community Commercial Economic Development Fund (CEDF) is under consideration. Inclusion of the property within a redevelopment project area qualifies the project for Hennepin County Transit-Oriented Development funds.

This Eden/Lindquist Redevelopment Plan establishes a new redevelopment project area encompassing the development site, establishes objectives for redevelopment, and identifies future land uses for the project area.

Development Proposal

The four-story Lindquist Apartments complex will occupy a half-acre site at 1931 West Broadway and will be a model of integrated property management and provision of social services. Construction will begin in 2004 and will be completed by summer 2005.

The 38,000-square foot building will include housing on the top two floors and a variety of tenant, agency and community programs on the bottom two floors.

The housing component of the project will include 26 sober, supportive, affordable (at 30% and 50% of area median income) rental apartments. Twenty-four will be efficiency apartments (two of which will be handicapped accessible) and two will be one-bedroom units to be occupied by staff caretakers. The efficiency apartments will be occupied by low- to no-income youth and young adults 16 and older who are homeless or transitioning out of the corrections or foster care systems. Ten units will be set aside for homeless individuals. Supportive services will be provided by Life's Missing Link, a nonprofit agency working with troubled youth and young adults, and will emphasize health promotion and accountability.

Commercial space will include the RS Eden Services Center (5,204 square feet) on the first floor of the housing complex. The remaining 8,556 square feet of commercial space will house a drug-testing facility and home detention computerized verification and remote alcohol testing services.

There will be 1,900 square feet of public space that will provide training and conference space for other community agencies. Twenty-five off-street parking spaces will be provided.

RS Eden is transferring its headquarters from St. Paul to the project area, a move that will bring 35 full-time equivalent (FTE) jobs to the area. It is anticipated that eight new FTE jobs will be created by Life's Missing Link, the agency that will provide supportive services.

The project is located on the Northwest Transportation Corridor, and residents and employees will have convenient access to the metropolitan bus system.

A project rendering is attached as Exhibit 6.

REDEVELOPMENT PLAN

I. Description of Project

A. Boundary of Redevelopment Project

Under the authority of the Housing and Redevelopment Authorities Act, approval of this Redevelopment Plan establishes a new Redevelopment Project as defined in Minnesota Statutes Section 469.002, Subdivision 14. The Project Area Report and Documentation of Eligibility is attached as Exhibit 5 to this Plan.

The Eden/Lindquist Redevelopment Project Area consists of the three tax parcels identified below. The Project Area is located within the Willard-Hay neighborhood and Ward 5 in north Minneapolis.

<i>Property Identification Number</i>	<i>Address</i>
16-029-24-23-0221	1927 West Broadway
16-029-24-23-0098	1935 West Broadway
16-029-24-23-0099	1931 West Broadway

B. Project Boundary Map

The Project Boundary Map is included in this Redevelopment Plan as Exhibit 1 (the Project Boundary/Land Use Map).

C. Objectives of the Redevelopment Plan

The City of Minneapolis seeks to achieve the following objectives through the Eden/Lindquist Redevelopment Plan.

- 1) Eliminate blighting influences which impede potential development.
- 2) Provide opportunities for the development of affordable rental housing with supportive services.

- 3) Eliminate or correct physical deterrents to the development of the land.
- 4) Achieve a high level of design and landscaping quality to enhance the physical environment.
- 5) Encourage housing density along transit corridors, stimulating use of public transit.
- 6) Support strong and diverse neighborhoods where people choose to live.
- 7) Participate in partnerships to achieve common community development objectives.
- 8) Provide employment opportunities for City residents.
- 9) Enhance the tax base of the city.

D. Types of Redevelopment Activities

The objectives of the redevelopment plan will be accomplished through the construction of commercial space and affordable rental housing units, public improvements, project administration, and other related activities.

Public purposes include:

- removal of blight or the causes of blight, including vacant, underused land;
- provision of decent, safe, and sanitary dwellings for persons of low and moderate income;
- and encouragement of housing density near transit corridors, stimulating use of public transit.

II. Land Use Plan

A. Land Use Map

The Land Use Map is included in this Redevelopment Plan as Exhibit 1 (the Project Boundary/Land Use Map). Future land use on property within the Project Area acquired by the City of Minneapolis will be mixed-use residential/commercial.

B. Land Use Provisions and Requirements

All development on land acquired by the City of Minneapolis shall conform to applicable State and local codes and ordinances, including the Minneapolis Zoning Ordinance, and the provisions of this Plan. In cases where codes or ordinances are more restrictive than this Plan, the more restrictive will apply.

C. Period During Which Land Use Provisions and Requirements Will Be In Effect

The requirements and provisions of Section II. B. of this Redevelopment Plan shall apply to all of the properties acquired in the Project Area except where strict compliance thereto would in the judgment of the City either not be in the best interest of the project or the City, or would not contribute to the achievement of

the objectives of this Redevelopment Plan. These requirements shall remain in effect for 20 years from the date of conveyance of the disposition parcel.

III. Project Proposals

A. Property Acquisition

1. Property That May Be Acquired

Property located within the Project Area may be acquired, as needed, in order to accomplish the objectives of this Redevelopment Plan. The acquisition of property will be subject to limitations imposed by availability of funds, developer interest, staging requirements, soil contamination and other financial and environmental considerations. Inclusion of property in the category of “property that may be acquired” does not indicate an absolute commitment on the part of the City to acquire a property.

No properties within the Project Area have been identified as “property that may be acquired.”

2. Conditions Under Which Property May Be Acquired

State law authorizes the City 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 City will seek to acquire property from willing sellers whenever possible, but may use the power of eminent domain to acquire property identified as “property that may be acquired” when necessary.

B. Rehabilitation

There are no structures on the property located within the Project Area, and therefore rehabilitation will not be one of the redevelopment activities carried out through this Redevelopment Plan.

C. Redevelopers’ Obligations

The requirements to be imposed upon the redeveloper, and its successors or assigns, will be established in the development agreement.

IV. Relocation

There are no structures located within the Project Area nor properties identified as property that may be acquired, and therefore relocation will not be one of the redevelopment activities carried out under this Redevelopment Plan.

V. Official Action to Carry Out the Redevelopment Plan

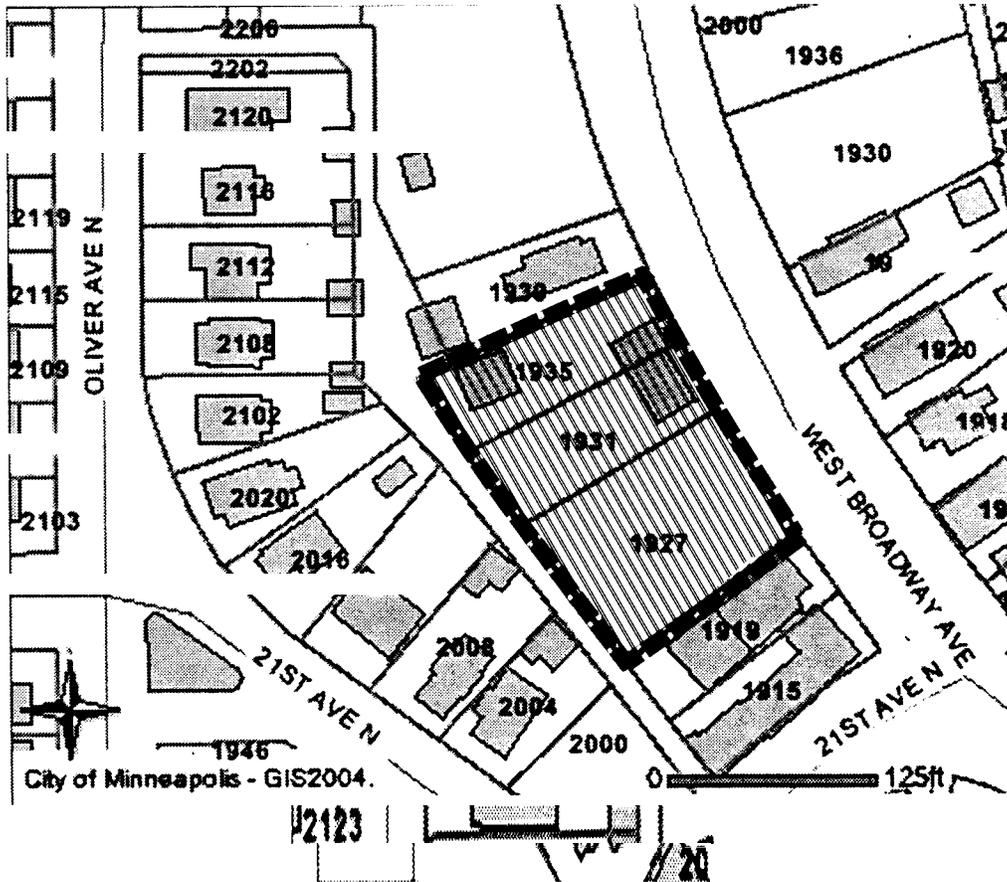
Minnesota law requires that the Minneapolis City Planning Commission review this Redevelopment Plan and that its written opinion, if any, accompany the Redevelopment Plan when it is officially submitted to the City Council for approval (Minnesota Statutes, Section 469.027).

In approving this Redevelopment Plan, the City Council is responsible for carrying out those elements of the Redevelopment Plan requiring official action by the City.

VI. Procedure for Changes in Approved Redevelopment Plan

This Redevelopment Plan may be modified as provided in Minnesota Statutes, Section 469.029, Subdivision 6, as follows:

"A redevelopment plan may be modified at any time. The modification must be adopted by the authority and the governing body of the political subdivision in which the project is located, upon the notice and after the public hearing required for the original adoption of the redevelopment plan. If the authority determines the necessity of changes in an approved redevelopment plan or approved modification thereof, which changes do not alter or affect the exterior boundaries, and do not substantially alter or affect the general land uses established in the plan, the changes shall not constitute a modification of the redevelopment plan nor require approval by the governing body of the political subdivision in which the project is located."



**Eden/Lindquist Redevelopment Project
Project Boundary/Land Use Map
August 13, 2004**

Boundary - - - - -
Land Use: Mixed-Use Residential/Commercial |||||

Prepared by Development Finance Division, Finance Department,
105 5th Avenue South, Minneapolis, Minnesota

CITIZEN PARTICIPATION REPORT

**Eden/Lindquist Redevelopment Plan
August 13, 2004**

Northside Residents Redevelopment Council (NRRC) is recognized as the official neighborhood organization representing Willard-Hay neighborhood residents. The Department of Community Planning and Economic Development (CPED) also works with the West Broadway Area Coalition, an organization that includes representatives of NRRC, Jordan Area Community Council, Hawthorne Area Community Council, the West Broadway Business Association, and other area businesses and residents.

NRRC and the West Broadway Area Coalition were given the opportunity to review and comment on the draft Eden/Lindquist Redevelopment Plan prior to consideration of the Plan by the City Council.

The City of Minneapolis will continue to work with NRRC and the West Broadway Area Coalition throughout the implementation of the Redevelopment Plan.

ENVIRONMENTAL REVIEW

**Eden/Lindquist Redevelopment Plan
August 13, 2004**

The City of Minneapolis will comply with all applicable local, state and federal regulations and procedures regarding the assessment of potential environmental impacts resulting from project activities.

A Phase I environmental assessment was completed and did not indicate the need for further testing.

PROJECT AREA REPORT
AND DOCUMENTATION OF ELIGIBILITY

Eden/Lindquist Redevelopment Plan
August 13, 2004

This Project Area Report and Documentation of Eligibility describes the conditions that qualify the area as a redevelopment project.

The Eden/Lindquist Redevelopment Project will be a redevelopment project as defined in the Minnesota Housing and Redevelopment Authorities Act (Minnesota Statutes, Section 469.002, Subdivision 14 and 16). According to Subdivision 14, Paragraph 1, redevelopment projects are established “for the purpose of removing, preventing, or reducing blight, blighting factors, or the causes of blight.” The redevelopment project area therefore must be found to be a blighted area, which is defined in Section 469.002, Subd. 11 of the Act as:

“... any area with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light, and sanitary facilities, excessive land coverage, deleterious land use, or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community.”

Description of Project Area

The .6-acre site includes three tax parcels at 1927, 1931 and 1935 West Broadway in the Willard-Hay neighborhood within Ward 5 in north Minneapolis. The three connecting properties are all vacant lots that contained building structures in the past.

Facts Supporting Eligibility as a Redevelopment Project Area

A site inspection was conducted by a Construction Management Specialist in the City’s Department of Community Planning and Economic Development in April 2004. The inspection found that the properties create a hazard to adjacent properties and the area as a whole. They are steep, hilly, vacant lots with excessive tree growth, remnants of concrete steps, fragmented retaining walls, cracked sidewalk and curbing, dumped garbage and debris, and improper drainage.

The deterioration of the vacant lots undermines the value of adjacent property. Vacant parcels may constitute a repository for debris, can be a fire hazard, and may attract vagrants and criminal elements of the population. The vacant land is an uneconomic use of inner city real estate, and is considered a blighting condition.

Documentation supporting these findings is on file in the office of the Development Finance Division, Finance Department, Suite 575, Crown Roller Mill, 105 5th Avenue South, Minneapolis, Minnesota.

METHOD PROPOSED FOR FINANCING

**Eden/Lindquist Redevelopment Plan
August 13, 2004**

City of Minneapolis assistance to the proposed development includes a Multifamily Rental and Cooperative Housing Program (Affordable Housing Trust Fund) loan, Low Income Housing Tax Credits, and Non-Profit Development Assistance funds. A request for assistance from the Community Commercial Economic Development Fund (CEDF) is under consideration. Inclusion of the property within a redevelopment project area qualifies the project for Hennepin County Transit-Oriented Development funds.

PROJECT RENDERING

Eden/Lindquist Redevelopment Plan
August 13, 2004

