



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

**Date:** June 21, 2005

**To:** Council Member Lisa Goodman, Community Development Cmte

**Prepared by:** Dollie Crowther, Principal Coordinator, Phone 612-673-5263

**Presenter in Committee:** Dollie Crowther

**Approved by:** Elizabeth J. Ryan, Director, Housing Policy and Development

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**Subject:** Transfer of Excess Lands from Minnesota Department of Transportation (MNDOT) to American Indian Community Development Corporation (AICDC)

**RECOMMENDATION:** Adopt the attached Resolution Authorizing Hennepin County Housing and Redevelopment Authority to conduct a land sale between the Minnesota Department of Transportation (MNDOT) and the American Indian Community Development Corporation (AICDC) for the sale of excess MNDOT land for a Workforce Housing Project.

**Previous Directives:** None.

**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:** 6

**Neighborhood Notification:** In May 2005 the Ventura Village Neighborhood approved the concept for the workforce housing project.

**City Goals:** 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:** This proposed development is part of the Franklin Avenue Station Area Master Plan dated September, 2000.

**Zoning Code:** Project will comply.

**Living Wage/Job Linkage:** NA

### **Background/Supporting Information**

In 1994, the American Indian Housing Corporation (AIHC) was designated by Indian Tribes as the urban agency responsible for carrying out housing policies that address the needs of homeless American Indians in the Twin Cities Metropolitan Area. Historically, the Ventura Village Neighborhood and the Phillips Community have had the largest urban concentration of American Indians in the United States. Native people suffer from a homeless rate believed to be 25% or greater.

American Indian Community Development Corporation (AICDC) has stepped forward to address the needs of people across a wide spectrum of housing in the Phillips Community. While owning and managing several programs such as the Hennepin County 50-bed Sub-Acute Detox Center, Anishinabe Wakiagan, and Many Rivers Apartments, AICDC continues to have projects underway. They are developing a campus plan that serves a wide spectrum of Indian people who live within the community.

This proposal is in the very preliminary planning stage. A project data worksheet has not yet been prepared. This proposed project will provide culturally specific elder housing and housing that meets the needs of the working homeless with appropriate supportive services. It will offer sixty (60) units of efficiency and one bedroom units for those at or below 30% of AMI. The project with its close proximity to the Franklin Avenue LRT Station and several bus transit lines will be a great location and is designated as Transit Oriented Development. It is proposed that the building would be a four story structure built in a compressed L shape and would include six small retail spaces fronting Franklin Avenue. It will also include underground parking for the commercial space.

AICDC is developing a financing plan for the project. Future city financing and regulatory approvals will be needed before this project moves forward. This council action does not constitute approval of a final development proposal.

In order for AICDC to be eligible to apply for funds from various lenders to facilitate the redevelopment, they must have site control. The land required for development is located on the north side of Franklin Avenue and the west side of Hiawatha Avenue (the intersection of Franklin Avenue and Highway 55). At present it is owned by MNDOT. AICDC has asked Hennepin County Housing and Redevelopment Authority (HCHRA) to act as a conduit for the transfer of excess land from MNDOT to AICDC.

Typically, the City acts as the required agent to facilitate the pass-through of public land. Allowing Hennepin County to act as the pass-through agent for this site does not set a precedent for future pass-through transactions.

Minnesota Statutes requires that the City of Minneapolis adopt a resolution to enable HCHRA to acquire these excess lands from MNDOT and, serving as a conduit, pass them through to AICDC for development.