



**Modification No. 107  
to the  
Common Development and Redevelopment Plan  
and Common Tax Increment Financing Plan**

**(Central Avenue Lofts)**

**March 17, 2006**

Prepared by:

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**MODIFICATION NO. 107  
TO THE  
COMMON DEVELOPMENT AND REDEVELOPMENT PLAN  
AND COMMON TAX INCREMENT FINANCING PLAN  
(Central Avenue Lofts)**

**March 17, 2006**

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(This Table of Contents is not part of Modification No. 107 to the Common Development and Redevelopment Plan and Common Tax Increment Financing Plan, and is only for convenience of reference.)

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

		<b>Impact of Mod. No. 107</b>
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 Common Project	No Change
Subsection A.5.	Structuring of Common Project	No Change
Subsection A.6.	History of Establishment and Modifications of Projects and TIF Districts Included in Common Project Area	<b>Changed</b>
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	<b>Changed</b>
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 FINANCING 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 That May Be Acquired	No Change
Subsection B.4.	Properties to be Deleted From Participating Tax Increment Financing Districts	No Change
Subsection B.5.	Development Activity in Common Project for Which Contracts Have Been Signed and Other Specific Development Expected to Occur	<b>Changed</b>
Subsection B.6.	Description of Financing	No Change
Subsection B.7.	Estimated Impact on Other Taxing Jurisdictions	No Change
Subsection B.8.	Modifications to Common Tax Increment Financing Plan	No Change
Subsection B.9.	Neighborhood Revitalization Program	No Change
Subsection B. 10.	Hazardous Substance Subdistrict	No Change
Exhibit 1	Land Use Map	<b>Changed</b>

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TO THE  
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**(Central Avenue Lofts)**

**March 17, 2006**

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**Introduction**

Three plan documents have been prepared that are related to a proposed mixed use, mixed income rental and townhome project: Modification No. 6 to the Central Avenue Redevelopment Plan, this Modification No. 107 to the Common Development and Redevelopment Plans (Common Plans), and the Central Avenue Lofts Tax Increment Finance Plan (the "Plans"). Because the Central Avenue Redevelopment Project Area is within the boundary of the Common Project, Modification No. 107 to the Common Plan has been prepared to reflect the authorization to pursue these redevelopment activities within a project that has been incorporated within the Common Project Area. However, the new TIF district is not being incorporated into the Common Project and will not be subject to the existing Common Project obligations and commitments, and is being created as a free-standing tax increment district.

**Background**

Sherman Associates, Inc. proposes to redevelop the site on the southwest corner of Central Avenue and 24<sup>th</sup> Avenue N.E. The site consists of an existing two-story building that serves as a US Bank branch office, including a drive-through facility for the bank, and a surface parking lot. The current building is mostly vacant and the bank desires to physically downsize. The property is zoned commercial and must be rezoned to accommodate the new multi-family residential proposal.

The project will consist of the new construction of a 66-unit rental apartment building, ground floor commercial, underground parking and seven (7) for-sale townhouses. The apartments will be a combination of one, two and three bedroom units and will be affordable to households at 30%, 50%, and 60% median income as well as market rate income. The ground floor commercial will be approximately 15,118 square feet in size. The existing property owner, U.S. Bank, desires to physically downsize and the redevelopment proposal will accommodate the bank's smaller size in the same location. The bank will lease approximately 4,223 square feet of the ground floor space for its operations, including a drive-through window.

In addition, seven (7) owner-occupied townhomes will be constructed that will face Jackson Street N.E. Each unit will have three bedrooms and approximately 1,700 square feet in size. The estimated sales price of each unit will be in the \$225,000 to \$250,000 range.

By reference, Modification No. 107 to the Common Plan is incorporated into the Incorporated Project Documents, and in itself is designated an Incorporated Document.

**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 Common Project (No Change)
- Subsection A.5.** Structuring of 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>Project</b>	<b>Plan, Mod or Amendment</b>	<b>City Council Approval Date</b>	<b>Resolution Number</b>
<i>Common Project</i>	<i>Modification No. 107 to the Common Plan (Central Avenue Lofts)</i>	<i>May 12, 2006</i>	<i>06R-_____</i>

- 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 **(Changed)**

The modified Proposed Land Use Map (Map 2 in the Central Avenue Redevelopment Plan) is attached as Exhibit #1. The designated land use for the Central Avenue Lofts project is changed from commercial to mixed use and must be rezoned to accommodate the new multi-family residential proposal. Conditional use permit, variance, site plan review, preliminary plat, and alley vacation applications have been conveyed to the City Planning Commission for approval.

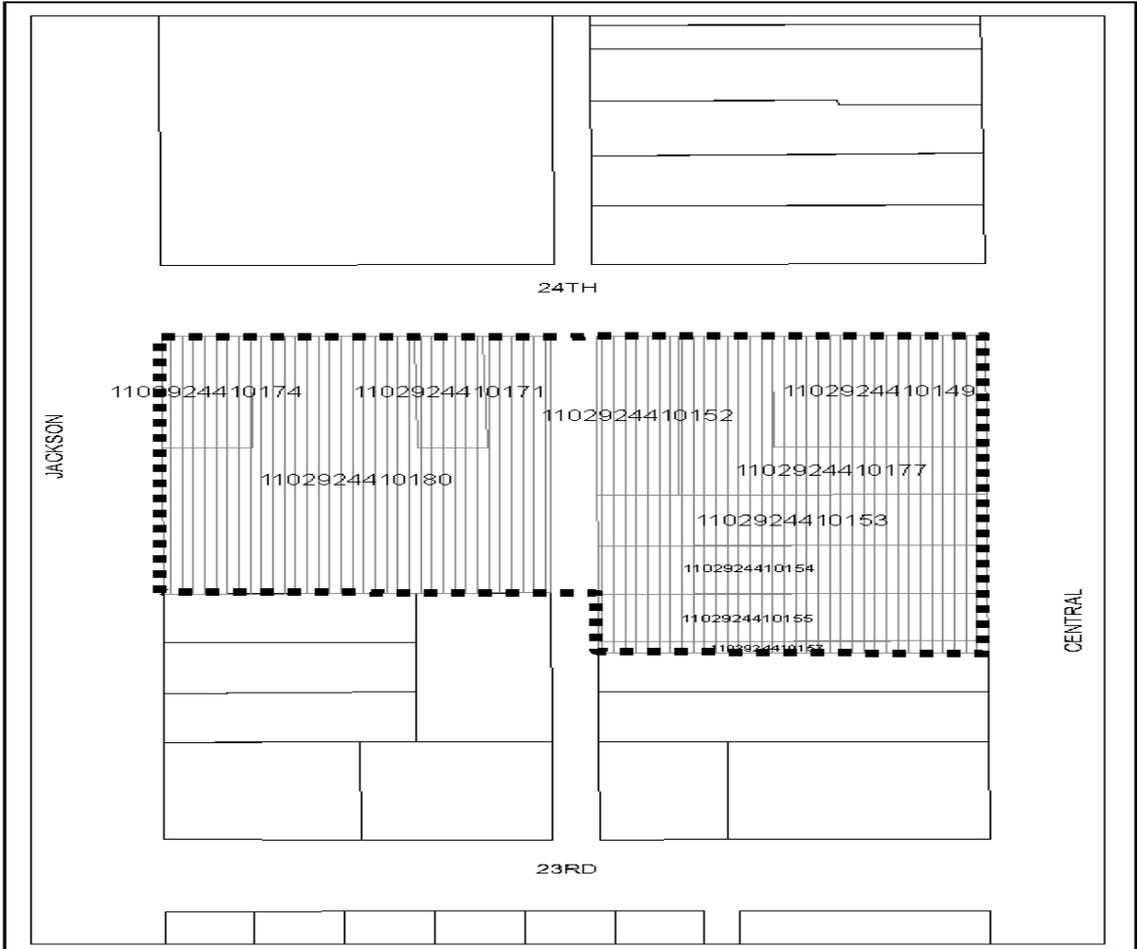
- Subsection A.10.** Modifications to Common Development and Redevelopment Plan (No Change)
- Subsection A.11.** Neighborhood Revitalization Program (No Change)

**SECTION B. COMMON TAX INCREMENT FINANCING PLAN (No Change)**

- 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 (No Change)
- 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 Expected to Occur (No Change)

As of the date of the preparation of this Modification, the City of Minneapolis has not yet entered into any redevelopment contracts related to these activities. It is anticipated that a development agreement will be executed with Sherman Associates, Inc., and/or Central Avenue Lofts Limited Partnership.

- Subsection B.6.** Description of Financing (No Change)
- Subsection B.7.** Estimated Impact on Other Taxing Jurisdictions (No Change)
- Subsection B.8.** Modifications to Common Tax Increment Financing Plan (No Change)
- Subsection B.9.** Neighborhood Revitalization Program (No Change)
- Subsection B.10** Hazardous Substance Subdistrict Plan (No Change)



**Modification No. 107 the Common Development and Redevelopment  
and Common Tax Increment Finance Plan (Common Project)  
(Central Avenue Lofts)  
Boundary/Land Use Map  
March 17, 2006**

Boundary  
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Mixed Use  
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