

Minneapolis
City of Lakes

Modification No. 2
to the
Franklin LRT Station Area Redevelopment Plan

January 9, 2009

**Modification No. 2 to the
Franklin LRT Station Area Redevelopment Plan**

January 9, 2009

Table of Contents

Introduction

Redevelopment Plan

- I. Description of Project – No Change
 - A. Boundary of Redevelopment Project – No Change
 - B. Project Boundary Map – No Change
 - C. Objectives of the Redevelopment Plan – No Change
 - D. Types of Redevelopment Activities – No Change
- II. Land Use Plan
 - A. Land Use Map – No Change
 - B. Land Use Provisions and Requirements – No Change
 - C. Period During Which Land Use Provisions and Requirements Will Be In Effect – No Change
- III. Project Proposals – **Changed**
 - A. Property Acquisition Map – **Changed**
 - B. Property Acquisition – **Changed**
 - C. Rehabilitation – No Change
 - D. Redevelopers' Obligations – No Change
- IV. Relocation – **Changed**
- V. Official Action to Carry Out Redevelopment Plan – No Change
- VI. Procedure for Changes in Approved Redevelopment Plan – No Change

EXHIBITS

- 1. Boundary Map – No Change
- 2. Land Use Map – No Change
- 3. Citizen Participation – No Change
- 4. Environmental Review – No Change
- 5. Affirmative Action Policy – No Change
- 6. Project Area Report – No Change
- 7. Preliminary Budget and Method of Financing – No Change
- 8. Property Acquisition Map – **Added**

Modification No. 2 to the Franklin LRT Station Area Redevelopment Plan

January 9, 2009

Introduction

The Franklin LRT Station Area Redevelopment Project was established in April 2001 when the Minneapolis City Council adopted the Franklin LRT Station Area Redevelopment Plan. In September 2006, the City Council adopted Modification No. 1 to the Franklin LRT Station Area Redevelopment Plan. This Modification No. 2 to the Franklin LRT Station Area Redevelopment Plan authorizes public redevelopment activities necessary to facilitate and assist the proposed development of a project herein referred to as the Franklin Station Project (the "Project"), a catalytic transit-oriented redevelopment project located along the LRT bike path approximately one block from the Franklin Avenue LRT station. The Project consists of property formerly known as the Bystrom Brothers site (the "Property"), a 3.8-acre brownfield site that includes about 10 light industrial buildings of varying age, functionality and condition located on 12 tax parcels near the intersection of East 22nd Street and Minnehaha Avenue in the Seward neighborhood of south Minneapolis.

The proposed Project is located within the existing Franklin LRT Station Area Redevelopment Project and the Minneapolis Common Development and Redevelopment Project, and is consistent with the adopted goals, land uses and activities identified in the Franklin LRT Station Area Redevelopment Plan, which focus on transitioning existing land uses to compact, mixed-use, transit-supportive development near the LRT station. The Franklin Avenue LRT station area (the "Station Area") is identified as an emerging activity center and transit station area in The Minneapolis Plan.

The Property is currently owned by 2200 Minnehaha, LLC (Hillcrest Development). For several years Seward Redesign, a neighborhood-based community development corporation, has been working with Hillcrest Development to acquire the site. Seward Redesign has been awarded significant public funds from the Metropolitan Council, the Minnesota Housing Finance Agency and Hennepin County for acquisition of the site and is working with the City of Minneapolis and other public and private partners to complete this transaction in March or April 2009. The public purpose of the awarded funding is to facilitate the acquisition and phased redevelopment of the Property to new higher-density, mixed-income, transit-oriented and sustainable development that includes significant affordable and market-rate housing units.

Planning for the redevelopment of the Property has been underway since 2005. In the past two years, detailed technical studies of geotechnical and environmental conditions, site planning and infrastructure planning have been conducted. This planning is consistent and aligned with broader comprehensive and small area plans for the Station Area completed during the past decade, as well as infrastructure and development priorities identified in those studies. The Project also will provide right-of-way for proposed street modifications that are linked to both site and area access, connectivity and multi-modal transportation needs. Property identified for possible acquisition within

this plan is associated with both the acquisition of the Property and street right-of-way requirements.

The Property is expected to yield five or six development sites to be developed over the next three to 10 years. Site planning has established the total development program for the Property as approximately 200 housing units and 18,000 to 28,000 square feet of commercial development.

The Property is located within both the Franklin LRT Station Area Redevelopment Project and the Minneapolis Common Development and Redevelopment Project. Modification No. 2 to the Franklin LRT Station Area Redevelopment Plan and Modification No. 113 to the Common Development and Redevelopment Plan and Common Tax Increment Financing Plan have been prepared by the City of Minneapolis to identify the Property and adjacent right-of-way property, a total of 14 tax parcels, as Property That May Be Acquired by the City.

No properties are being added to or deleted from tax increment financing districts.

Sections of the Franklin LRT Station Area Redevelopment Plan that are identified as having no change retain the language adopted in the original Franklin LRT Station Area Redevelopment Plan dated March 23, 2001, or in Modification No. 1 to the Franklin LRT Station Area Redevelopment Plan, dated July 7, 2006 and revised August 7, 2006.

Franklin LRT Station Area Redevelopment Plan

- I. Description of Project (No Change)
 - A. Boundary of Redevelopment Project (No Change)
 - B. Project Boundary Map (No Change)
 - C. Objectives of the Redevelopment Plan (No Change)
 - D. Types of Redevelopment Activities (No Change)
- II. Land Use Plan
 - A. Land Use Map (No Change)
 - B. Land Use Provisions and Requirements (No Change)
 - C. Period During Which Land Use Provisions and Requirements Will Be In Effect (No Change)

III. Project Proposals **(Changed)**

A. Property Acquisition Map **(Changed)**

The Property Acquisition Map is included in this Redevelopment Plan as Exhibit 8.

B. Property Acquisition **(Changed)**

Section III.B. is amended by the addition of the following language and by identifying the listed properties as Property That May Be Acquired:

By including in this redevelopment plan a list of “Property That May Be Acquired”, the City of Minneapolis is signifying that it is interested in acquiring the property listed, subject to limitations imposed by law, availability of funds, developer interest, staging requirements, soil contamination and other financial and environmental considerations. Inclusion on this list does not indicate an absolute commitment on the part of the City to acquire a property.

State law authorizes the City to acquire property either on a negotiated basis or, in certain situations, 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.

The list of Property That May Be Acquired includes:

Property Address	Property Identification Number
2200 Snelling Avenue	36-029-24-22-0045
2206 Snelling Avenue	36-029-24-22-0046
2210 Snelling Avenue	36-029-24-22-0047
2214 Snelling Avenue	36-029-24-22-0048
2218 Snelling Avenue	36-029-24-22-0049
2304 Snelling Avenue	36-029-24-22-0050
2215 Snelling Avenue	36-029-24-22-0105
2200 Minnehaha Avenue	36-029-24-22-0052
1915 22nd Street East	36-029-24-22-0051
2204 Minnehaha Avenue	36-029-24-22-0053
2115 Snelling Avenue	36-029-24-22-0023
1912 22nd Street East	36-029-24-22-0022
1914 22nd Street East	36-029-24-22-0021
2120 Minnehaha Avenue	36-029-24-22-0020

- C. Rehabilitation (No Change)
 - D. Redevelopers' Obligations (No Change)
- IV. Relocation **(Changed)**

Section IV. is amended by the addition of the following language:

Acquisition of property identified in this plan as Property That May Be Acquired may result in the displacement of individuals, families or businesses. The City of Minneapolis accepts as binding its obligations under state and local law regarding relocation and will administer relocation assistance and benefits to those displaced by public action as required thereunder.

- V. Official Action to Carry Out the Redevelopment Plan (No Change)
- VI. Procedure for Changes in Approved Redevelopment Plan (No Change)

Property Acquisition Map

Modification No. 2 to the Franklin LRT Station Area Redevelopment Plan and
Modification No. 113 to the Common Plan

January 9, 2009



Legend

- Project Boundary
- Property That May Be Acquired
- Hiawatha LRT Line
- + Franklin Ave LRT Station

City of Minneapolis

Community Planning and
Economic Development



Modification No. 113
to the
Common Development and Redevelopment Plan
and
Common Tax Increment Financing Plan

January 9, 2009

**Modification No. 113
to the
Common Development and Redevelopment Plan
and Common Tax Increment Financing Plan**

January 9, 2009

Table of Contents

(This Table of Contents is not part of Modification No. 113 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

		Impact of Mod. No. 113
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	Changed
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	No Change
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	Changed
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	Changed
Subsection B.6.	Description of Financing	Changed
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	Property Acquisition Map	Added

**Modification No. 113
to the
Common Development and Redevelopment Plan
and Common Tax Increment Financing Plan**

January 9, 2009

Introduction

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Planning for the redevelopment of the Property has been underway since 2005. In the past two years, detailed technical studies of geotechnical and environmental conditions, site planning and infrastructure planning have been conducted. This planning is consistent and aligned with broader comprehensive and small area plans for the Station Area completed during the past decade, as well as infrastructure and development priorities identified in those studies. The Project also will provide right-of-way for

proposed street modifications that are linked to both site and area access, connectivity and multi-modal transportation needs. Property identified for possible acquisition within this plan is associated with both the acquisition of the Property and street right-of-way requirements.

The Property is expected to yield five or six development sites to be developed over the next three to 10 years. Site planning has established the total development program for the Property as approximately 200 housing units and 18,000 to 28,000 square feet of commercial development.

The Property is located within both the Franklin LRT Station Area Redevelopment Project and the Minneapolis Common Development and Redevelopment Project. Modification No. 2 to the Franklin LRT Station Area Redevelopment Plan and Modification No. 113 to the Common Development and Redevelopment Plan and Common Tax Increment Financing Plan have been prepared by the City of Minneapolis to identify the Property and adjacent right-of-way property, a total of 14 tax parcels, as Property That May Be Acquired by the City.

No properties are being added to or deleted from tax increment financing districts.

Sections of the Common Development and Redevelopment Plan and Common Tax Increment Financing Plan that are identified as having no change retain the language adopted in the original plans or previous modifications to the plans.

By reference, Modification No. 113 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:

Project	Plan, Mod or Amendment	City Council Approval Date	Resolution Number
<i>Common Project</i>	<i>Modification No. 113 to the Common Plan</i>	<i>March 6, 2009</i>	<i>2009R-_____</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 (No Change)
- 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 **(Changed)**

Subsection B.3. is amended by the addition of the following language and by identifying the listed properties as Property That May Be Acquired:

By including in this plan a list of “Property That May Be Acquired”, the City of Minneapolis is signifying that it is interested in acquiring the property listed, subject to limitations imposed by law, availability of funds, developer interest, staging requirements, soil contamination and other financial and environmental considerations. Inclusion on this list does not indicate an absolute commitment on the part of the City to acquire a property.

State law authorizes the City to acquire property either on a negotiated basis or, in certain situations, 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.

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1912 22nd Street East	36-029-24-22-0022
1914 22nd Street East	36-029-24-22-0021
2120 Minnehaha Avenue	36-029-24-22-0020

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 **(Changed)**

It is anticipated that the City of Minneapolis will enter into a redevelopment contract and funding agreements with Seward Redesign to facilitate this redevelopment project. The City has also executed funding agreements with the Metropolitan Council related to this project. The City will also directly acquire a portion of the redevelopment site, and may enter into additional contracts related to that property.

Subsection B.6. Description of Financing **(Changed)**

In June 1999, the Minneapolis City Council established the Hiawatha LRT Corridor Transit Oriented Development (TOD) Program and identified \$4,000,000 in funding for the program. The City Council designated \$3,600,000 in Common Project tax increment funds as a set-aside for the program, to fund redevelopment activities in station areas in the Hiawatha Corridor that are also located within the Common Project Area. An additional \$400,000 of Development Account funds were set aside for the TOD program at the same time. In December 2008, the City Council approved the set aside of \$600,000 of the Common Project tax increment funds for property acquisition for the Franklin Station project.

Subsection B.7. Estimated Impact on Other Taxing Jurisdictions (No Change)

Subsection B.8. Modifications to Common Tax Increment Financing Plan (No Change)

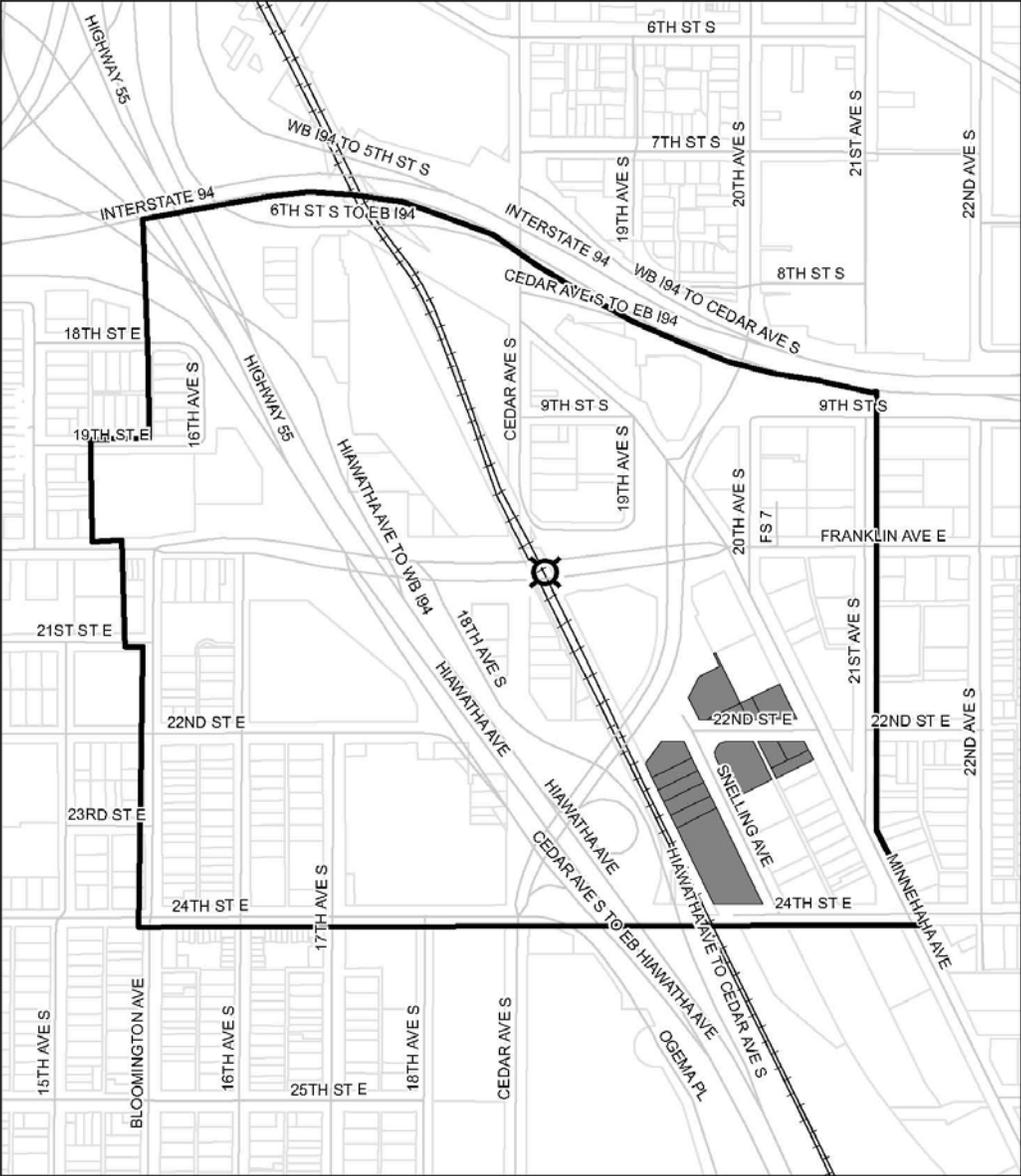
Subsection B.9. Neighborhood Revitalization Program (No Change)

Subsection B.10 Hazardous Substance Subdistrict Plan (No Change)

Property Acquisition Map

Modification No. 2 to the Franklin LRT Station Area Redevelopment Plan and
Modification No. 113 to the Common Plan

January 9, 2009



Legend

- Project Boundary
- Hiawatha LRT Line
- Property That May Be Acquired
- Franklin Ave LRT Station

City of Minneapolis
Community Planning and
Economic Development