



Longfellow Station Redevelopment Plan

July 6, 2007

Prepared by the Development Finance Division
105 5th Avenue South, Minneapolis, Minnesota 55401

Longfellow Station Redevelopment Plan
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Longfellow Station Redevelopment Plan July 6, 2007

Introduction

This plan document has been prepared to facilitate a proposed mixed-use housing and neighborhood commercial project with one or more green roofed structures, in two mid to high-rise structures in the Howe neighborhood in Ward 12 of South Minneapolis.

The Longfellow Station Redevelopment Plan establishes a new redevelopment project area, establishes objectives for redevelopment, and identifies land uses for the redevelopment of the project area.

Development Proposal

The first phase of a multi-phased project includes a mixed-use project located at 3815 Hiawatha Avenue and includes 185-300 housing units, 35,000 to 50,000 square feet of neighborhood commercial space, and approximately 400 structured and below-grade parking spaces. The project design also includes one or more green roofed structures, an innovative storm water runoff pond system, and an internal system of pedestrian connections. The project will include 185 to 300 units of rental and/or ownership housing; at least 20% of the units will be affordable to households at 50% of Metro Median Income (MMI). The commercial space includes a possible grocery store, as well as other neighborhood commercial uses at ground level immediately adjacent to the housing structures. Commercial space users and housing residents will be able to park in the approximate 400 structured and below-grade parking spaces on the site.

The project will also have easy access to the Hiawatha Light Rail Transit (LRT) providing an alternate transportation option, thereby providing affordable housing and workforce residents the same opportunities as others to efficiently connect not only to job opportunities, but also to education, retail and recreation uses in downtown Minneapolis, the Veterans Administration Hospital, Bloomington commercial districts, as well as the International Airport, Fort Snelling, and many others.

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 #4 to this Plan.

The Longfellow Station Redevelopment Project Area consists of one existing tax parcel on 38th and Hiawatha identified below. The project area is located within the Howe neighborhood, Longfellow Community, and Ward 12 of South Minneapolis. The tax parcel to be included in the proposed Project Area is:

Property Identification Number	Address
12-028-24-11-0182	3815 Hiawatha Avenue

B. Project Boundary Map

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

C. Objectives of the Redevelopment Plan

The City of Minneapolis seeks to achieve the following objectives through the Longfellow Station Redevelopment Plan:

- Eliminate blighting influences throughout the city.
- Increase the City's property tax base and maintain its population diversity.
- Provide an array of housing choices that meet the needs of current residents and attract new residents to the city with an emphasis on providing affordable housing.
- Support redevelopment efforts that enhance and preserve unique urban features and amenities.
- Provide affordable workforce housing on a major fixed transit line.
- Maximize use of nearby light-rail transit through significant increase in housing density.*
- Create a mix of uses at densities sufficient to create a vibrant, transit oriented community.*
- Include a mix of small scale and moderate scale retail and service commercial uses that support high density residential and office markets as well as the needs of the surrounding community.*
- Provide off-street parking that facilitates shared use and which incorporates Travel Demand Management (TDM) programs to reduce automobile use and encourage alternatives.*

D. Types of Redevelopment Activities

The objectives of the redevelopment plan will be accomplished through the following actions: site preparation, demolition, new construction, parking,

* 38th Street Station Area Plan, October 2006

project administration, public improvements and other related activities. Public purposes include the provision of affordable workforce housing units, removal of blight or the causes of blight, including vacant, underused land, and the provision of decent, safe, and sanitary dwellings for persons of low and moderate income. The project is located near the 38th Street Station of the Hiawatha LRT line, and is designed to be a high-density mixed-use transit oriented project that will encourage residents, workers and visitors to utilize the LRT line and provide needed housing/retail services to residents as well as to nearby neighborhoods.

II. Land Use Plan

Future land use on property within the Project Area will be mixed-use commercial and high-density residential. The property is currently zoned I-2, Medium Industrial District and PO Pedestrian Oriented Overlay District. The proposed development will require a rezoning to accommodate the proposed land uses.

A. Land Use Map

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

B. Land Use Provisions and Requirements

Future land use designation will be mixed-use commercial and high-density residential, and shall conform to the Minneapolis Zoning Ordinance. The land use provision and building requirements shall be applied in addition to official codes, ordinances, and other legal controls in the City of Minneapolis and the State of Minnesota. Where there is a conflict between any of the existing official codes ordinances and other legal controls in the City of Minneapolis and State of Minnesota with these land use provisions and building requirements, the stricter and more limiting requirement shall 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 located 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 twenty years from the date of conveyance of the disposition parcels.

III. Project Proposals

A. Property Acquisition

1. Property That May Be Acquired

No properties within the Project Area have been identified as “property that may be acquired” by the City of Minneapolis. The property is owned by the developer.

B. Rehabilitation

Rehabilitation will not be one of the redevelopment activities carried out through this Redevelopment Plan. All project construction will be new construction.

C. Redevelopers' Obligations

The general requirements to be imposed upon the redevelopers, their successors or assigns, will be established in the development agreements.

IV. Relocation

The property is vacant, subsequently, no relocation activity will be required.

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.

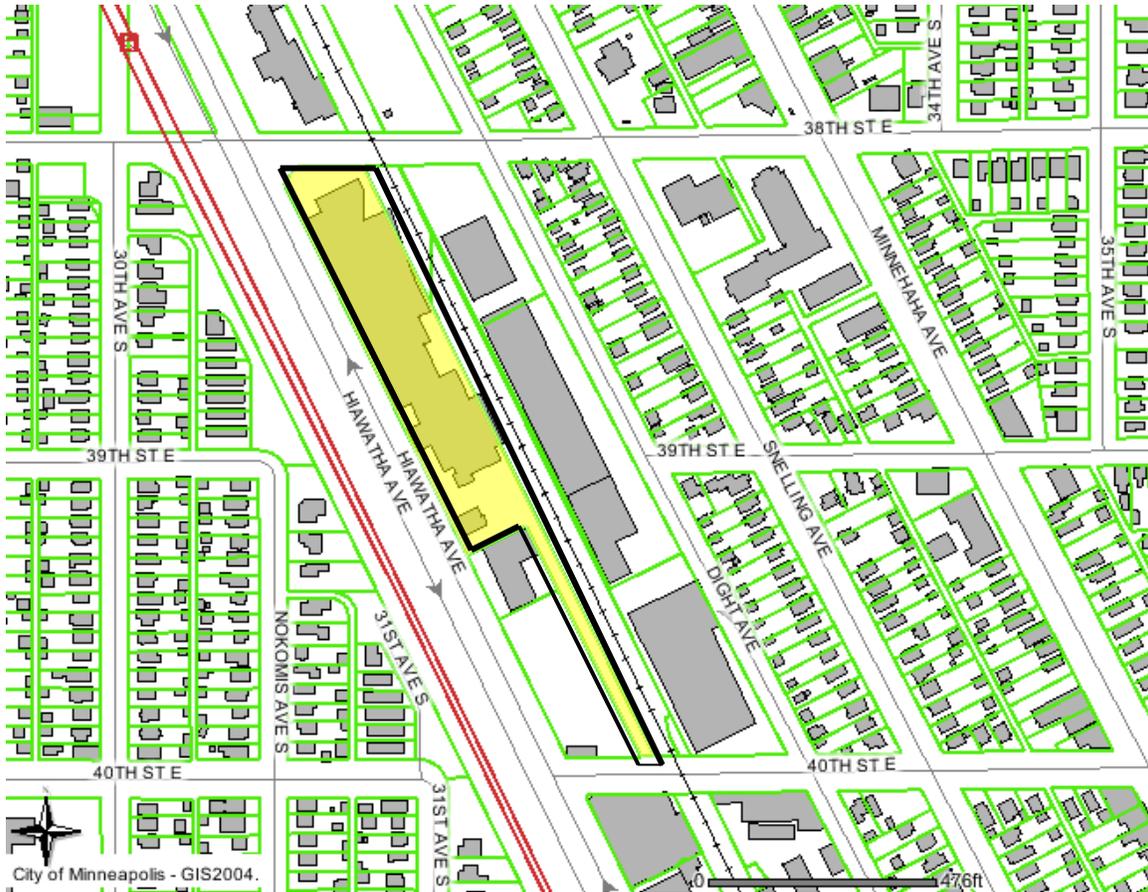
VI. Procedure for Changes in Approved Redevelopment Plan

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."

Longfellow Station Redevelopment Project Area
July 6, 2007



**Longfellow Station Redevelopment Plan
Boundary/Land Use Map
July 6, 2007**

— Boundary
■ Land use: mixed-use commercial and high-density residential



CITIZEN PARTICIPATION REPORT

**Longfellow Station Redevelopment Plan
July 6, 2007**

Longfellow Community Council is the official neighborhood group for this project.

The Longfellow Community Council and other neighborhood participants will be given the opportunity to review and comment on the Longfellow Station Redevelopment Plan prior to consideration of the Plan by the City Council. The Purina Mill Task Force has been meeting about this site since January 2006.

The City of Minneapolis will continue to work with these groups throughout the implementation of the Redevelopment Plan.

ENVIRONMENTAL REVIEW

**Longfellow Station Redevelopment Plan
July 6, 2007**

An environmental Phase I assessment has been completed. Soil tests have been completed and diesel fuel has been identified in the topsoil from trains operating on the site over time. Presence of a gas station on the corner, tanks were removed, low levels of asbestos in building to be removed prior to demolition, additional environmental work as necessary. A Phase II study has also been completed.

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.

**PROJECT AREA REPORT
AND ELIGIBILITY DOCUMENTATION**

**Longfellow Station Redevelopment Plan
July 6, 2007**

The first phase of a multi-phased project includes a proposed mixed-use project located at 3815 Hiawatha Avenue that includes 185-300 housing units, 35,000 to 50,000 square feet of neighborhood commercial space, and approximately 400 structured and below-grade parking spaces. The project will include 185 to 300 units of rental and/or ownership housing; at least 20% of the units will be affordable to households at 50% of Metro Median Income (MMI). The commercial space includes a possible grocery store, as well as other neighborhood commercial uses at ground level immediately adjacent to the housing structures. Commercial space users and housing residents will be able to park in the approximate 400 structured and below-grade parking spaces on the site.

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

The Longfellow Station Redevelopment Project (the “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.”

Area Characteristics

The Longfellow Station Redevelopment Project Area consists of one existing 3.7-acre tax parcel on 38th and Hiawatha Avenue, located within the Howe Neighborhood in Ward 12 of South Minneapolis. The property is situated on the east side of Hiawatha Avenue at the signalized intersection of E. 38th Street. Hiawatha Avenue is a major thoroughfare that provides access into and from downtown Minneapolis. The site abuts the Canadian Pacific Railroad tracks lying to the east that service the industrial

properties in the neighborhood.[†] There is a light rail station on the west side of Hiawatha Avenue at E. 38th Street. The property extends length-wise in a northwest/southeast direction from E. 38th Street to E. 40th Street; however the southerly portion of the site is currently undevelopable due to its narrow width of 31 feet. However, this narrow land strip can be used in density calculations for development. This southerly extending strip has 16,492 square feet (31' x 532') of land area.

The dominant features of the Howe neighborhood in the 38th Street Station Area Plan area are the presence of industrial grain milling and storage facilities between Hiawatha and Dight Avenues. In some cases, these are no longer active (e.g., Land O' Lakes Purina Mill and Cenex/Harvest States Elevator M). Within this district, small-scale workshops and automobile-oriented businesses have emerged (e.g., mini-storage, auto repair, welding, fast food). Most existing multi-family housing and most neighborhood retail and commercial services are located on tree-lined Minnehaha Avenue. Minnehaha was also served by Twin City Lines streetcar service and runs at a 60-degree angle, which creates unique parcels and, in some cases, triangles of land bordered by three public streets. The land uses and building footprints in the 38th Street Station Area Plan illustrate how many parts of Minnehaha Avenue were redeveloped into 1960s-and 1970s-era apartments without a coherent vision[‡]. The rest of the neighborhood is mostly low-density residential. The physical condition of residential properties west of Minnehaha is markedly poorer than those to the east of Minnehaha, particularly where there is poor delineation between residential and industrial uses.

Existing Site Conditions

The proposed redevelopment project area property is currently improved with a grain elevator storage and handling facility and an office building. The facility was vacated more than two years ago by the Purina Corporation. The freestanding, two-story office building constructed in 1973 is also vacant. The grain elevators contain over 65,000 square feet of gross building area and were constructed around 1900. The office building has two stories with nearly 7,500 square feet of above ground gross building area and was constructed in 1973.

The parcel is zoned I-2, Medium Industrial District with a Pedestrian Oriented Overlay.

Findings of Blight within the Proposed Redevelopment Project Area

CPED Senior Construction Management Specialist James Edin conducted exterior inspections of the proposed redevelopment project area in June 2007. The site visit examined a vacant commercial building, the attached dock and shipping area and the exterior grounds surrounding the building. The subject property is an abandoned grain milling operation on a lot approximately 158,985 square feet in size. The buildings appear to be without utilities and lack functioning sanitary facilities. Photos

[†] A residential application would not be adversely affected by the rail lines, as it would be on a short-term basis, according to a recent study by SRT Consulting Group

[‡] 38th Street Station Area Plan, October 2006

were taken to document the numerous areas that were open to trespass at the time of the site visit. This provides an attractive nuisance for urban thrill seekers, graffiti artists, vagrants, vandals and other individuals. The overall condition of the parcel and structures are in poor condition. Public records indicate no noteworthy construction permits in the last five years and a significant number of police calls in recent years. The building lacks energy conservation standards, compliance with ADA regulations and fire suppression systems essential for occupancy, and is not in compliance with current International Building Codes and Standards. Due to the age and condition of the property, the presence of lead paint and asbestos is anticipated and removal is mandatory.

All of the grain elevators on the site are abandoned, as are the smaller buildings, and the location is poorly maintained with scattered debris, volunteer growth and is evidenced by lack of general maintenance. The structure is substandard and contains broken window glass, lack of utilities, inadequate ground cover and presence of debris. The existing buildings are obsolete for their present or continued use and are functionally obsolete, lacking certain life safety factors, mechanical and electrical systems essential for continued occupancy. Many areas are exposed and open to the elements.

The deterioration of the vacant parcel undermines the value of adjacent property. Vacant parcels constitute a repository for debris, fire hazard, and may attract vagrants and criminal elements of the population. Vandalism has taken place and the vacant space is not only an uneconomic use of inner city real estate, but is considered a blighting condition.

This report does not address environmental issues (e.g. pollution, contamination, fugitive spills, asbestos, PCB containing transformers), or other unknown physical or geo-technical problems.

Eligibility Findings

It is found that the proposed project area qualifies for inclusion in a redevelopment project under Minnesota Statutes 469.001 through 469.047. This property is found to be detrimental to the “safety, health, morals or welfare of the community” by reasons of dilapidation, obsolescence, overcrowding, faulty arrangement or lack of ventilation and structural damage as demonstrated by the photographs of the site, structure and damage therein. It is the determination of staff that the subject property is substandard and meets the criteria for blighted condition and the substantial cost to remedy the existing code violations noted at the property.

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

Longfellow Station Redevelopment Plan

July 6, 2007

Description of Development

The first phase of a multi-phased project includes a mixed-use project located at 3815 Hiawatha Avenue and includes 185-300 housing units, 35,000 to 50,000 square feet of neighborhood commercial space, and approximately 400 structured and below-grade parking spaces. The project design also includes one or more green roofed structures, an innovative storm water runoff pond system, and an internal system of pedestrian connections. The project will include 185 to 300 units of rental and/or ownership housing; at least 20% of the units will be affordable to households at 50% of Metro Median Income (MMI). The commercial space includes a possible grocery store, as well as other neighborhood commercial uses at ground level immediately adjacent to the housing structures. Commercial space users and housing residents will be able to park in the approximate 400 structured and below-grade parking spaces on the site.

Sources of Revenue

Longfellow Station Phase IA has been awarded \$2.3 million in funding to date, including \$400,000 from the CPED Affordable Housing Trust Fund. The City has also received an Application for Public Financial assistance (i.e. Tax Increment Finance Application) for the project, which is currently under preliminary review.

In May 2007, Hennepin County awarded the project \$100,000 in Transit Oriented Development (TOD) funding.

SUMMARY

Retail / Commercial	42,060 sf
Residential	198 units
Parking	116 Stalls
Above Grade	116 Stalls
Parking Level 1	200 Stalls
Parking Level 2	432 Stalls
Total	432 Stalls



901 North 3rd Street, Suite 145
Minneapolis, MN 55401
612.455.3100 (t)
612.455.3199 (f)

PRELIMINARY
NOT FOR CONSTRUCTION

REVISIONS

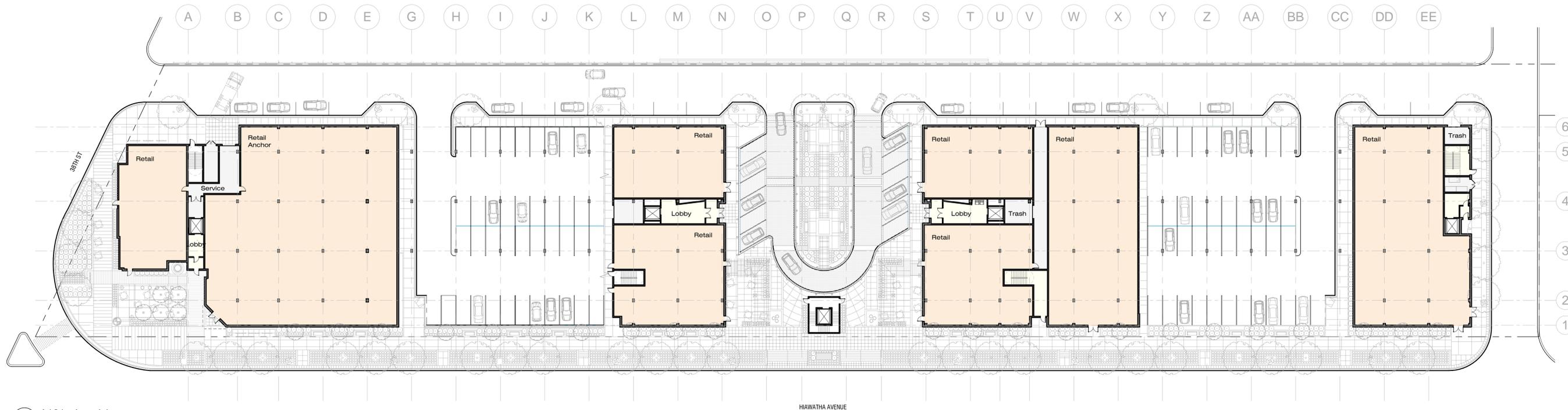
#	Date	Description

DATE	05/30/2007
PROJECT #	05-0018
PHASE	SD

DRAWN BY	DWM
CHECKED BY	TSE

OVERALL FLOOR PLANS

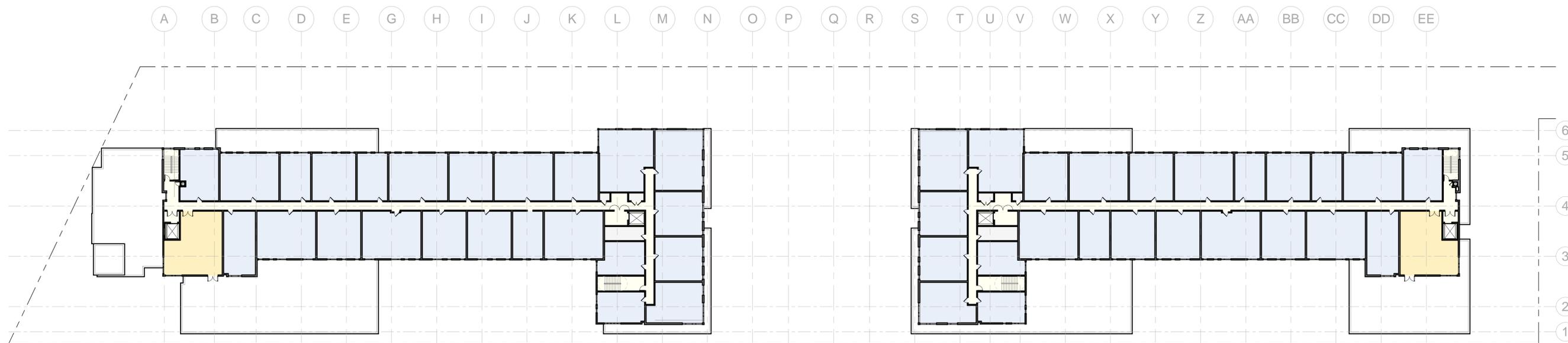
A101



1 A101 - Level 1
1" = 30'-0"

NORTH BUILDING

SOUTH BUILDING



2 A101 - Level 2
1" = 30'-0"



901 N 3rd Street, Suite 145
Minneapolis, MN 55401
612.455.3100 (t)
612.455.3199 (f)

PRELIMINARY
NOT FOR
CONSTRUCTION

REVISIONS
Date Description

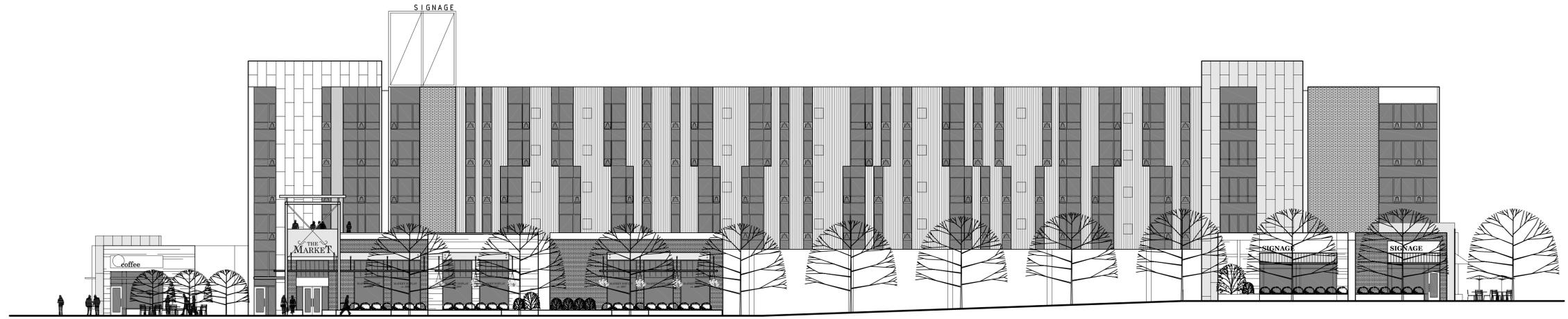
DATE 11/20/06
PROJECT # 05-0018
PHASE SD

DRAWN BY DWM
CHECKED BY TSE

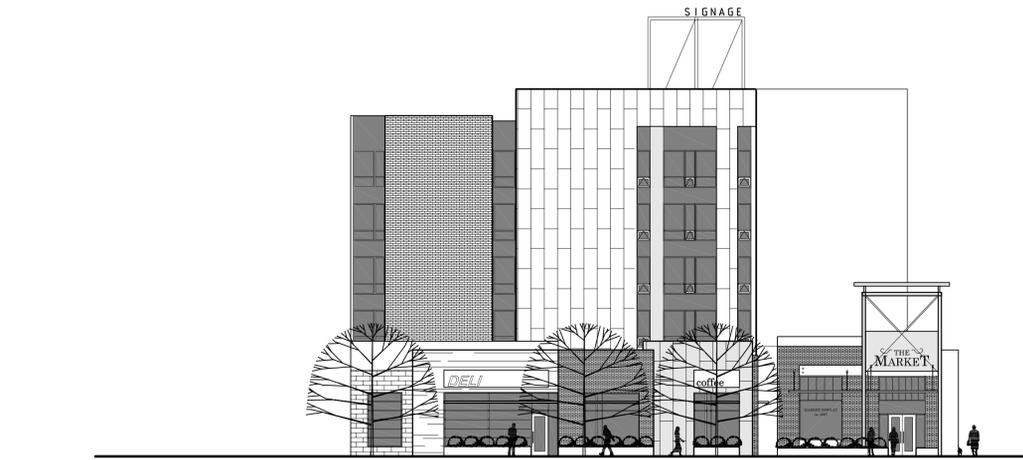
KEY PLAN

ELEVATIONS

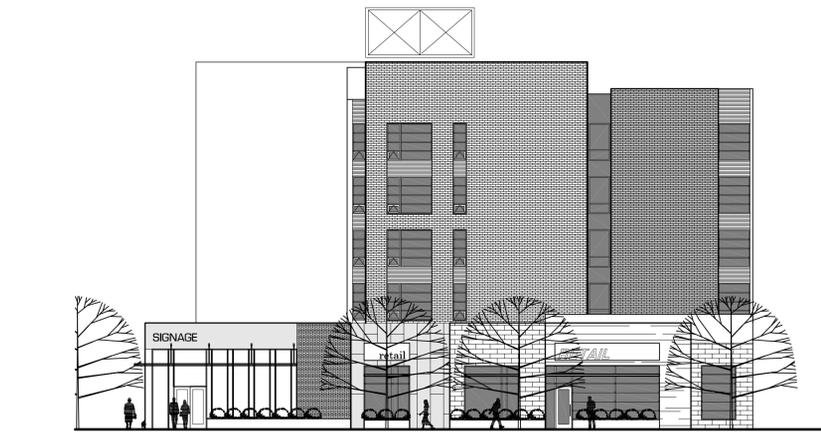
A300



1 NORTH BUILDING - WEST ELEVATION
A300 1/16" = 1'-0"



2 NORTH BUILDING - NORTH ELEVATION
A300 1/16" = 1'-0"



3 SOUTH BUILDING - WEST ELEVATION
A300 1/16" = 1'-0"



4 SOUTH BUILDING - SOUTH ELEVATION
A300 1/16" = 1'-0"