



Second Quarter 2006



Second Quarter Highlights

- The Mayor and City Council selected the [William W. and Nadine M. McGuire Family Foundation proposal](#) for Riverfront East Parcel to develop the site into a park.



Rendering of McGuire Park

- The [Industrial Land Use and Employment Policy Plan](#) was presented to the [Planning Commission](#); a public hearing is scheduled for August 24, 2006 at a joint meeting of the Zoning & Planning and Community Development Committees.
- The [Mississippi River Critical Area Plan](#) was approved by the Planning Commission May 8, 2006 and by City Council June 8, 2006. The Plan and related comprehensive plan amendment documentation will now be forwarded to the Metropolitan Council.
- Seitu Jones began his tenure as [CPED's first Artist-in-Residence](#). He will be working with a variety of public agency, neighborhood and artists to incorporate public art into capital improvement projects, starting on Lake Street and Lowry Avenue.

- The [Midtown Global Market](#) at Midtown Exchange officially opened on June 3rd with roughly 35 small businesses, representing about 20 ethnic groups.
- Pollution remediation and construction began on the 10-acre [Humboldt Industrial Park](#); the site will include a new 125,000-square foot, multi-tenant industrial building, generating an estimated 190 new jobs.
- CPED completed the city's [Annual Affordable Housing Report](#) showing that the city significantly exceeded its three-year production goal: 2,470 units affordable at 50% MMI closed from 2001-2003.
- Closings occurred on the Parcel F, [Ripley Gardens](#), Camden Apartments, and Project Foundation Emergency Shelter Grant projects. Construction/rehab is underway.



Rendering of Ripley Gardens

Lee E. Sheehy, Director
(612) 673-5125
www.ci.minneapolis.mn.us/cped

Part I: Key Accomplishments and Milestones for the Quarter

PLANNING

Community Planning

(Contact: Pam Miner 673-3240)

- First steering committee meeting held for the [Uptown Small Area Plan](#); the committee was established to provide input on the project boundaries, scope of work to be undertaken, and the selection of a consultant team to guide the development of this year long planning process.
- Consultant SEH was selected for the [West Broadway Alive!](#) Plan; the plan will lay the groundwork for the revitalization of West Broadway as a recognized and cherished place and the activated center of commercial and community activity in north Minneapolis.
- [Seward and Longfellow Greenway Area Land Use and Pre-Development Study](#) currently in public review process.
- The [Industrial Land Use and Employment Policy Plan](#) was presented to the Planning Commission; a public hearing was scheduled for Zoning & Planning Committee on August 24, 2006.
- [Mississippi River Critical Area Plan](#) approved by Planning Commission May 8, 2006 and City Council June 8, 2006. The Plan and necessary comprehensive plan amendment documentation will be forwarded to the Metropolitan Council.
- Seitu Jones began his tenure as [CPED's first Artist-in-Residence](#). He will be working with a variety of public agency, neighborhood and artists to incorporate public art into capital improvement projects, starting on Lake Street and Lowry Avenue.
- A public open house was held for the [Nokomis East Station Area Plan](#). Final draft document is currently in production.
- Public meetings held regarding alternative visions and development options for the [38th Street Station Area Plan](#).

Development Services

(Contacts: Steve Poor, zoning administration and enforcement, 673-5837; Jason Wittenberg, land use applications and Planning Commission, 673-2297; Jack Byers, heritage preservation, design review, board of adjustment, 673-2634)

- Completed work on two zoning code text amendments: amending the C-1 district to revise minimum lot area requirements for residential uses and new farmer's markets regulations. Staff is working on six other zoning code text amendments.
- Processed 531 zoning-related service requests through the City's 3-1-1 system, working closely with 3-1-1 staff to refine the program and increase the level of customer service based on the program's first six months of data and use. New service requests, protocols and expected service levels have been created to address system issues.

ECONOMIC POLICY AND DEVELOPMENT

Business Development

(Contact: Tom Daniel 673-5079)

Neighborhood Commercial and Transit Corridors

- City Council authorized land sale for 1101 West Broadway to The Ackerberg Group. The property will be renovated and house a credit union, coffee shop, and offices.
- [Midtown Global Market](#) at Midtown Exchange opened with roughly 35 small businesses, representing about 20 ethnic groups.

Land Recycling and Infrastructure

- The Metropolitan Council approved \$243,000 for pollution cleanup on three Minneapolis projects, and the Minnesota Department of Employment and Economic Development approved \$50,000 for pollution investigation on one Minneapolis project.
- City Council authorized land sale of 1300 North Second Street to an affiliate of Master Development Group for development of a multi-tenant facility.
- Pollution remediation and construction began on the [Humboldt Industrial Park](#), a 10-acre parcel of land in the northwest corner of the Canadian Pacific Railroad's Humboldt Yards. The park would include a new 125,000-square foot, multi-tenant industrial building that would generate an estimated 190 new jobs.

Downtown

- City Council approved grant and related agreements with State of Minnesota and Artspace Projects, Inc. for a \$1 million 2005 State bonding grant for the [Minnesota Shubert Performing Arts & Education Center](#).
- City Council authorized issuance of an [RFP for sale of nine city-owned parking ramps](#).

Riverfront

- The [Riverfront Organizational Study](#) process continued, and a "summit" meeting was held that resulted in a proposed interim organizational structure to guide both completion of the remainder of the study and near-term riverfront activities.
- The Mayor and City Council selected the [William W. and Nadine M. McGuire Family Foundation proposal](#) for Riverfront East Parcel to develop the site into a park.

Business Finance

(Contact: Bob Lind 673-5068)

- CPED has assisted 30 small business tenants in the Midtown Global Market, which is over half of the tenants in the market, through various small business assistance programs. The [Midtown Global Market](#) has officially been open since June 3rd.
- The City of Minneapolis along with Wells Fargo, the Neighborhood Development Center and the Minneapolis Consortium of Community Developers provided financing to La Perla to purchase a 15,000 sq. ft. building at 2616 27th Ave. S. to house their production facility for their tortilla business. La Perla is a new immigrant success story having started in 1999 with a 700 sq. ft. facility. La Perla sells both wholesale and retail under the brand names of El Burrito and La Perla.

Workforce Development

(Contact: Deb Bahr-Helgen 673-6226)

- METP has placed 222 individuals into full time jobs this quarter using local “Close the Gap” funding. The average hourly wage for these individuals is \$10.07.
- METP placed 1400 youth in jobs this summer, including 516 in older youth (ages 16-21) STEP UP! and 454 in younger youth (ages 14-15) STEP UP! programs.

Empowerment Zone

(Contact: Jonathan Palmer 673-5016)

- On June 8th the Empowerment Zone Governance Board approved its 2006-2009 Strategic Plan which will focus on using the remaining unallocated dollars by the end of 2007 to leverage resources and create economic development opportunities.

HOUSING POLICY AND DEVELOPMENT

Multi-Family Housing

(Contact: Cynthia Lee 673-5266)

- Closings occurred on the Parcel F, [Ripley Gardens](#), Camden Apartments, and Project Foundation Emergency Shelter Grant (ESG) projects. Construction/rehab is underway.
- Construction/rehab was completed on [Cecil Newman Apartments](#), Anpa Waste, [Exodus Hotel](#), St. Stephens ESG, and Simpson ESG.
- An RFP was issued for [1800 Plymouth Avenue](#) and there were three proposals received. Developer selection is underway.
- RFPs issued for multifamily rental and ownership affordable housing funding programs; 38 proposals were received with review and ranking currently underway.
- An RFP was issued for [Met Council Livable Community Demonstration Account \(LCDA\)](#) funds. Nine proposals received and ranked, five of which were selected by the City Council to be submitted to the Met Council.
- CPED completed the city's [Annual Affordable Housing Report](#) showing that the city closed on 2,470 affordable housing units, exceeding its three year production goal of 2,100 units.

Single-Family Housing

(Contact: Elfric Porte 673-5145)

- Four homes were sold and 13 lots purchased by developers for construction of new ownership housing units at [Heritage Park](#).
- Four units were completed and ready for occupancy at [Heritage Park](#).
- The neighborhood groups for two of the five “clusters” in the [Northside Home Fund](#) selected Development Partners to help them identify and execute residential development and rehabilitation opportunities in the “cluster” area. Development Partners has now been selected for four of the five “cluster” projects. Clusters are small geographic areas with three or more

boarded and vacant properties that have been termed an opportunity area by the neighborhood groups and City departments.

- The City sold 10 lots and issued seven completion certificates for owner-occupied housing.

DEPARTMENT-WIDE INITIATIVES

1) Improve Transportation and Transit Connections and Infrastructure

A new Principal Planner for Transportation joined the department on June 1st. Steve Hay will be responsible for defining and promoting the City's planning interest for a number of regional transportation issues and projects, including the Central Corridor LRT, Southwest transit Corridor, NorthStar Commuter Rail, 35W, Cedar Avenue and Bottineau Blvd BRT ways, as well as serving as the lead CPED staff on the City's 10-Year Transportation Plan, [Access Minneapolis](#).

2) Close the Unemployment Gap

Senator Linda Higgins sponsored a Minneapolis summer youth employment bill. The City received \$1.9 million for summer youth employment in Minneapolis from the Workforce Development Fund. These new funds will be used to expand and enhance the 2007 summer youth programs.

3) Increase Choices Along the Housing Continuum

CPED is a key participant in the Hennepin County Homeless Commission work, particularly in the area of the finance plan. [The City/County Commission to End Homelessness](#) was formed in early spring of this year, with more than 70 community leaders representing local, state, and federal governments, faith, business, philanthropic and non-profit sectors, homeless and formerly homeless persons. The goal was to develop a 10-year plan to end homelessness in our community within 100 days.

The Commission's next steps are to seek public input of the draft 10-year plan through the month of August, finalize and formally announce plan at the end of September, seek Minneapolis City Council and Hennepin County Board of Commissioner approval in October/November, and begin plan implementation in January 2007.

4) Enhance Neighborhood Livability by Reducing Crime, Promoting Good Urban Design and Increasing Amenities

Planning staff's primary contributions to this initiative included implementing the policies in the Comprehensive Plan, adopted small areas and the zoning code through the development of policy and land use plans; administrative regulatory reviews; and by staffing the Board of Adjustment, Heritage Preservation Commission and the Planning Commission (see data in Part II). This work is also accomplished through preliminary discussions between planning staff and property owners, neighborhood organizations, residents, developers and architects.

Economic Development staff's contributions to this initiative include the West Broadway Safety Center; the West Broadway Clean Sweep which collected more than 12,000 pounds of garbage and debris; and through the "Streetwerks" program, over 50 Minneapolis youth receive \$6.15 an hour to participate in city beautification projects. The program runs for six weeks and the participants work 30 hours per week. Some of the areas beautified by this project include neighborhoods along West Broadway, Plymouth and Lowry Avenues.

Part II: Progress on Key Departmental Performance Measures

Note: numbers in **bold** reflect revisions from previously published numbers due to updated information

\$ in millions unless noted otherwise	2003 Actual	2004 Actual	2005 Actual	2006 Target	2006 1 st Quarter	2006 2 nd Quarter	Comments
Planning/Community Planning							
# of milestones achieved for major long range planning projects	n/a	n/a	n/a	7 major plans completed; 5 midpoint milestones achieved; 5 new plans started	1 major plan approved; 1 comp plan amendment completed; substantial work on 4 other major plans; 1 new plan started	1 major plan approved; 1 new plan started; substantial work on 6 other major plans	See Part I for more detail on each plan
arts and culture coordination:							
# film/video permits issued	212	190	187	190	40	53	Installation of railing art project on Central/Broad way bridge;
\$ amount of film production budgets	\$6.7	\$9.2	\$8.9	\$9.7	\$2.3	\$2.2	10 artworks in progress;
# of public art installations or major renovations:	3	5	3	7	0	1	1 artwork restored and relocated
Planning/Development Services							
# of building permits reviewed for zoning compliance	7,905	8,100	7,039	7,800	1,280 permits; 18 ASPR	1,776; 42 ASPR	Permits = 83 new bldgs and 1,693 remodels ASPR = Administrative Site Plan Review
# of land use applications reviewed	1,083	1,197	895	1,100	139 CPC; 26 BOA	197 CPC; 63 BOA	CPC = City Planning Commission BOA = Board of Adjustment
# of Heritage Preservation Commission applications reviewed	180	175	183	190	60	63	
# of properties designated for historic preservation	n/a	n/a	2	2	0	2	Pioneer's/Lay man's Cemetery and Semple Mansion

<i>\$ in millions unless noted otherwise</i>	2003 Actual	2004 Actual	2005 Actual	2006 Target	2006 1 st Quarter	2006 2 nd Quarter	Comments
# of historic demolition permits reviewed	n/a	n/a	191	150	50	48	
# of zoning code text amendments adopted	6	9	11	10	4	2	Amendments to C-1 district and farmer's markets completed.
# of state and federal environmental reviews conducted	16	24	45	27	9	3	

Economic Development/Business Development & Business Finance

# of new jobs projected by City-assisted projects	1,554	378	659	1,447	206	184	
# of small business loans	170	115	143	160	35	58	
\$ value of business loans	\$282	\$246	\$607.9	\$300	\$14.6	\$38.3	
Ratio of City \$ to all other public and private \$: for Bus. Finance loans	1:170	1:162	1:250	1:150	1:13	1:33	
\$ amount of contamination grants secured	\$4.7	\$4.2	\$2..2	\$3.0	\$2.0*	\$0.24**	*Metropolitan Council & Hennepin County fall 2005 grants ** Met Council spring 2006 grants
Acreage of land to be recovered due to secured cleanup grants	n/a	n/a	36.2 acres	5 – 25 acres	7.3*	5.8**	*Metropolitan Council & Hennepin County fall 2005 grants **Met Council spring 2006 grants
Attendance at City-owned entertainment venues:	428,458	429,399	615,676	500,000	81,941	86,898	
Hennepin Avenue theaters	1,196,894	1,420,833	1,155,244	1,195,000	425,743	139,347	
Target Center							
# of Empowerment Zone businesses funded	50	40	18	20	18	9	

Economic Development/Workforce Development

Metro unemployment rate	4.6%	4.4%	3.7%	4.0%	4.1%	3.4%	
City unemployment rate	5.5%	5.1%	4.1%	4.0%	4.2%	3.8%	

<i>\$ in millions unless noted otherwise</i>	2003 Actual	2004 Actual	2005 Actual	2006 Target	2006 1 st Quarter	2006 2 nd Quarter	Comments
Gap between City and metro unemployment rates	0.9%	0.7%	0.4%	0%	0.1%	0.4%	
# of adult placements	754	757	1,453	1,500	252	309	
Average hourly wage of adult placements	\$10.56	\$10.34	\$10.58	\$10.60	\$10.36	\$10.51	Note: the relatively low wage at initial placement reflects the lower skills of program clients
Housing							
New/converted Multi-Family Units w/ financing closed @ 30% AMI	260	156	112	n/a	0	16	
New/converted Multi-Family Units w/ financing closed @ 50% AMI	46	163	195	n/a	0	44	
New/converted Multi-Family Units w/ financing closed @ 60% AMI	80	234	81	n/a	0	0	
New/converted Multi-Family Units w/ financing closed @ 80% AMI	49	28	81	n/a	0	1	235 market rate units also closed 2Q
Preserved/stabilized Multi-Family units w/ financing closed @ 30% AMI	822	340	363	n/a	0	0	Excludes shelter production – 20 units in 2Q
Preserved/stabilized Multi-Family units w/ financing @ 50% AMI	33	104	98	n/a	19	0	
Preserved/stabilized Multi-Family units w/ financing @ 60% AMI	51	48	33	n/a	0	0	
Preserved/stabilized Multi-Family units w/ financing @ 80% AMI	131	7	1	n/a	0	0	Excludes market rate production
New/converted Single-Family units w/ financing closed @ 30% AMI	5	n/a	n/a	2	0	0	
New/converted Single-Family units w/ financing closed @ 50% AMI	5	8	6	12	4	1	
New/converted Single-Family units w/ financing closed @ 60% AMI	n/a	n/a	n/a	5	0	0	

<i>\$ in millions unless noted otherwise</i>	2003 Actual	2004 Actual	2005 Actual	2006 Target	2006 1 st Quarter	2006 2 nd Quarter	Comments
New/converted Single-Family units w/ financing closed @ 80% AMI	37	31	15	15	0	3	
Preserved/stabilized Single-Family units w/ financing closed @ 60% AMI	n/a	n/a	n/a	3	0	0	
Preserved/stabilized Single-Family units w/ financing closed @ 80% AMI	8	10	7	7	1	0	