



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

Date: October 21, 2014
To: Councilmember Lisa Goodman, Chair, Community Development and Regulatory Services Committee
Referral to: Councilmember John Quincy, Chair, Ways and Means Committee
Subject: Applications for Environmental Grant Funding in the Fall 2014 Brownfield Grant Round

Recommendation:

1. Authorize application to the Minnesota Department of Employment and Economic Development [DEED] Contamination Cleanup and Investigation Grant Program for environmental investigation and/or remediation funding for the following projects: 602 Residences, 729 Washington, The Encore, New Horizon Academy, and Washington-Chicago Development; and,
2. Authorize application to the Metropolitan Council's Tax Base Revitalization Account [TBRA] Grant Program for environmental investigation and/or remediation funding for the following projects: 602 Residences, 729 Washington, Anishinabe Bii Gii Wiin, The Encore, Hawthorne EcoVillage Apts., Leef Park, Manufacturer's Building, New Horizon Academy, and Washington-Chicago Development; and
3. Authorize application to the Hennepin County Environmental Response Fund [ERF] for environmental investigation and/or remediation funding for the following projects: 602 Residences, CLCLT Homes – Fall 2014, The Encore, Hawthorne EcoVillage Apts., Leef Park, Minnesota Brownfields, MPRB – East Bank Trail, MPRB – NE Athletic Field Park Phase 1, New Horizon Academy, and Washington-Chicago Development; and
4. Approve the attached resolutions authorizing appropriate City staff to submit the aforesaid applications to the Minnesota Department of Employment and Economic Development [DEED] Contamination Cleanup and Investigation Grant Program, the Metropolitan Council's Tax Base Revitalization Account [TBRA] Grant Program, and the Hennepin County Environmental Response Fund [ERF].

Previous Directives:

602 Residences (602, 602 ½, and 606 1st Street N.): None.

729 Washington (729 Washington Ave. N., 728 N. 3rd Street): The City Council approved the submission of a Met Council TOD-TBRA site investigation grant

application on May 23, 2014 and formally accepted the subsequently awarded grant on August 29, 2014.

Anishinabe Bii Gii Wiin (1600 East 19th Street): On July 1, 2005, the City Council approved a Hennepin County HRA conduit land sale between MnDOT and AICDC for the land located north of Franklin Avenue East and West of Highway 55 (the project site). On April 12, 2013, the City Council authorized submission of an LCDA-TOD grant application to the Metropolitan Council on behalf of this project. On March 28, 2014, the City Council accepted an LCDA-TOD grant that was awarded to this project by the Metropolitan Council. On October 18, 2013, the City Council approved a loan up to \$1,170,000 from the AHTF for this project.

CLCLT Homes – Fall 2014 (1910 Glenwood Ave.; 2105 Willow Ave. N.; 2908 12th Ave. S.; 2321 E. 35th St.; 3201 20th Ave. S.; 2539 Irving Ave. N.; 1939 Buchanan St. NE): None.

Encore, The (911, 935 2nd St. S.): None.

Hawthorne EcoVillage Apts. (617 Lowry Ave. N., 3113 & 3117 6th St. N., 3110 & 3116 Lyndale Ave. N.): On April 12, 2013, the City Council authorized submission of an LCDA grant application to the Metropolitan Council on behalf of this project. On April 26, 2013, the City Council authorized exclusive development rights for Project for Pride in Living for the [then] City-owned properties at 3110 and 3116 Lyndale Ave. N., 617 Lowry Ave. N. and 3113 and 3117 6th St. N. for a period of 12 months. On October 18, 2013, the City Council approved a loan up to \$1,875,000 from the AHTF for this project. On March 28, 2014, the City Council accepted a \$1,000,000 LCDA grant that had been awarded to this project by the Metropolitan Council.

Leef Park (164 Cedar Lake Road N.; 190, 194, 196, 198, 205, 212, 213, 217 James Ave. N.; 191, 195, 199, 208, 210, 216, 222, 226 Irving Ave. N.): The City Council approved the submission of a Met Council TBRA investigation grant application on April 25, 2014 and accepted the subsequently awarded grant on July 22, 2014.

Manufacturer’s Building (401 1st Avenue N., 27 4th St. N.): None.

Minnesota Brownfields (various locations TBD): On November 1, 2013, the City Council approved investigation and cleanup projects to be funded by the Minnesota Brownfields Gap Financing Program, for which a grant application was (at that time) anticipated to be submitted to the Hennepin County Environmental Services Department by Minnesota Brownfields in the fall 2013 brownfield grant round.

MPRB – East Bank Trail (1300/1326/1342/1356/1420/1510/1600 Water St. NE, 1415 Ramsey St. NE, and 1600 ½/1604 ½ Marshall St. NE): None.

MPRB – NE Athletic Field Park, Phase 1 (1400 Fillmore St. NE, 1401 Polk St. NE): None.

New Horizon Academy (3354 Penn Ave. N.): None.

Washington-Chicago Development (713/724 S. 3rd St.): None.

Prepared by: Kevin Carroll, Principal Project Coordinator, 612-673-5181

Approved by: Charles T. Lutz, Deputy Director, CPED

Catherine A. Polasky, Director of Economic Policy & Development

Presenter in Committee: Kevin Carroll, Principal Project Coordinator, 612-673-5181

Financial Impact

X Action is within the business plan.

X Other financial impact: There is no direct financial impact. However, some of the grant requests have been identified as requiring a commitment of local match funds, to be provided in most cases by the developer or other non-City funding sources. The City of Minneapolis is sponsoring these grant requests, acting in some cases as a pass-through and conduit for environmental investigations and cleanup. Sponsoring these grant applications does not commit (or imply a commitment of) City funds as the required match. Partial compensation for City staff time required to review and process grant applications, and to administer any pass-through grants that are awarded, will be obtained through application fees and grant administration fees that were approved by the City Council on April 16, 2010.

Community Impact

Neighborhood Notification:

602 Residences (602, 602 ½, and 606 1st Street N.): The North Loop Neighborhood Association issued a letter of support on August 27, 2014.

729 Washington (729 Washington Ave. N., 728 N. 3rd Street): The North Loop Neighborhood Association issued a letter of support on April 24, 2014.

Anishinabe Bii Gii Wiin (1600 East 19th Street): The Ventura Village Neighborhood Organization issued a letter of support on March 19, 2013.

CLCLT Homes – Fall 2014 (1910 Glenwood Ave.; 2105 Willow Ave. N.; 2908 12th Ave. S.; 2321 E. 35th St.; 3201 20th Ave. S.; 2539 Irving Ave. N.; 1939 Buchanan St. NE): Not applicable.

Encore, The (911, 935 2nd St. S.): The Downtown Minneapolis Neighborhood Association issued a letter of support on August 18, 2014.

Hawthorne EcoVillage Apts. (617 Lowry Ave. N., 3113 & 3117 6th St. N., 3110 & 3116 Lyndale Ave. N.): The Hawthorne Neighborhood Council issued a letter of support on May 28, 2013.

Leef Park (164 Cedar Lake Road N.; 190, 194, 196, 198, 205, 212, 213, 217 James Ave. N.; 191, 195, 199, 208, 210, 216, 222, 226 Irving Ave. N.): The developer made presentations to the Harrison Economic Development Committee (HERC) and the Basset Creek Valley Redevelopment Oversight Committee (BCV ROC) on January 21, 2014.

Manufacturer's Building (401 1st Avenue N., 27 4th St. N.): The Downtown Minneapolis Neighborhood Association issued a letter of support on October 5, 2014.

Minnesota Brownfields (various locations TBD): Not applicable.

MPRB – East Bank Trail (1300/1326/1342/1356/1420/1510/1600 Water St. NE, 1415 Ramsey St. NE, and 1600 ½/1604 ½ Marshall St. NE): The Sheridan Neighborhood Organization issued a letter of support on December 22, 2011.

MPRB – NE Athletic Field Park, Phase 1 (1400 Fillmore St. NE, 1401 Polk St. NE): None, although this project was referred to in a Master Plan (dated January 8, 2014) that was adopted with input from a Community Advisory Group.

New Horizon Academy (3354 Penn Ave. N.): At a meeting on October 6, 2014, the Folwell Neighborhood Association voted to support this project.

Washington-Chicago Development (713/724 S. 3rd St.): The Downtown Minneapolis Neighborhood Association issued a letter of support on August 18, 2014.

City Goals: Living Well; A Hub of Economic Activity and Innovation; Great Places.

Sustainability Targets: Brownfield Sites

Comprehensive Plan: The proposed projects generally comply with the “land reclamation” and “providing a healthy environment” elements of The Minneapolis Plan for Sustainable Growth.

Zoning Code: The proposed projects either are in compliance or will comply.

Living Wage/Business Subsidy Agreement: Yes_____ No X
 Job Linkage: Yes_____ No X

Background/Supporting Information

The thirteen projects/programs and the twenty-four related grant applications that are being recommended for submission to DEED, the Metropolitan Council and Hennepin County in the fall 2014 brownfield grant round are as follows:

Projects RECOMMENDED For Submission To The Grantors In The Fall 2014 Brownfield Grant Round				
Project Name	GRANTORS			Total Grant Requests *
	DEED	Met Council TBRA	Hennepin County ERF	
602 Residences	307,912	24,681	24,681	357,274
729 Washington	572,080	572,080		1,144,160
Anishinabe Bii Gii Wiin		434,370		434,370
CLCLT Homes – Fall 2014			170,000	170,000
Encore, The	225,000	19,500	19,500	264,000
Hawthorne EcoVillage Apts.		118,800	108,900	227,700
Leef Park		485,000	485,000	970,000
Manufacturer’s Building		100,000		100,000
Minnesota Brownfields			200,000	200,000
MPRB – East Bank Trail			63,000	63,000
MPRB – NE Athletic Field Park, Phase 1			221,550	221,550
New Horizon Academy	274,950	183,375	116,100	574,425
Washington-Chicago Development	423,450	423,450	200,000	1,046,900
TOTALS:	1,803,392	2,361,256	1,608,731	5,773,379

*Amounts shown are based on applications submitted to the City by September 8, 2014. The final amounts shown on grant applications submitted to the grantors by their respective application deadlines may differ, due to project cost updates prepared after September 8, 2014.

The Minnesota Contamination Cleanup and Investigation Grant Program was established in 1993 to clean up contaminated sites and convert contaminated properties into marketable assets. The Department of Employment and Economic Development [DEED] is the administering state agency. Applications for the fall grant round are due by November 3, 2014. A local match equal to twenty-five percent of the project costs is required, of which twelve percent must come from non-tax increment local funds (typically provided by the developer). The amount that is potentially available to fund brownfield investigation and cleanup grants in the fall 2014 round is \$4.25 million, which includes up to \$250,000 for investigation grants. The legislature has designated that at least 35% of available funds be spent on remediating sites in Greater Minnesota unless sufficient applications are not received.

Enacted by the legislature in 1995, the Metropolitan Livable Communities Act designated the Metropolitan Council as the administrator of the Tax Base Revitalization Account [TBRA] Program. This program makes grants to clean up contaminated land for subsequent redevelopment, job retention, and job growth in areas that have lost some of their commercial/industrial base. Applications for the fall round of this program are due by November 3, 2014. No local match is required. The amount that is potentially available to fund brownfield cleanup grants in the fall 2014 round is projected to be \$2.5 million, which includes up to \$125,000 for investigation grants. The TBRA program reserves at least one-quarter of the funding available in each grant cycle for projects outside of the two core cities of Minneapolis and St. Paul, and restricts any one municipality from receiving more than half of the funding in any given round.

Hennepin County has been collecting mortgage registry and deed taxes for deposit into an Environmental Response Fund (ERF) and has awarded grants from that fund since the fall of 2001. The ERF is used for the assessment and cleanup of contaminated sites located within Hennepin County, with emphasis on affordable housing projects. Applications for the fall round of this program are due by November 3, 2014. Historically, Hennepin County has usually awarded a total amount in the \$1.0 - \$1.5 million range per grant round (for cleanup and investigation grants). Typically, about 50% of the available grant funds are awarded to projects within the City of Minneapolis, and the remainder is awarded to projects within suburban communities.

All three of the aforementioned grantors are expected to finalize awards for the fall brownfield round sometime between late December of this year and mid-January of 2015.

For the fall 2014 brownfield grant round, details regarding the City's pre-application process and related program requirements were provided to CPED project coordinators and potential applicants in early August. Relevant information was posted on the City's website and distributed via email to the 650+ parties on CPED's Development Notices Distribution List. Staff processing of the submitted pre-applications included review by members of the affected geographic Sector teams and consideration of factors such as readiness to proceed with cleanup, removal of blighting influences, commitment of City funds, creation or retention of affordable housing, compliance with zoning requirements and comprehensive plan designations, and job creation.

In this round, staff continued the use of a more rigorous review process that was first implemented during the fall 2012 round. This process required developers to submit a Grant Assessment Worksheet [GAW] that included a project fact sheet with information important to the City such as jobs created or displaced and the number of affordable housing units to be created or retained. The review also included other sections regarding readiness measures, policy alignment and developer experience.

Thirty-one pre-applications were received on September 8, 2014, twenty-four of which are being recommended for submission to the three grantors. One project withdrew its two pre-applications shortly after they were submitted. Three other projects withdrew their five pre-applications after discussions with City staff regarding project readiness issues.

The City's interactions with the three grantors during past grant rounds have established that their internal processes for reviewing, scoring and ranking brownfield applications give no weight to any city's prioritization of the applications that it submits to the grantors. The analyses conducted by the three grantors' staff, and the decisions that they make in awarding brownfield grants, are based on statutory criteria and adopted guidelines that do not include the (relative) preferences of municipal applicants regarding the applications submitted. Accordingly, and in keeping with the practice that has been followed by the City in recent years, the recommendation of City staff is that the City Council not rank or prioritize the brownfield applications that it authorizes staff to submit to the three brownfield grantors on or by their joint November 3 application deadline.

Details of Recommended Brownfield Projects:

This section of the report presents projects, in alphabetical order, that City staff recommend for submission to the brownfield grantors. The summary descriptions were based upon information provided by the developers or by others familiar with the details of the projects in question.

602 Residences (602, 602 ½, and 606 1st Street N.)

Projected DEED Request: \$307,912

Projected Metropolitan Council TBRA Request: \$24,681

Projected Hennepin County ERF Request: \$24,681

Solhem LLC intends to construct a 125,745 square foot market rate condominium project in the North Loop neighborhood. The project will include 27 condominium units in an 8-story post-tensioned concrete building. The projected total development cost is \$30,400,000. Grant funds, if awarded, will be used primarily for soil remediation.

The 602 Residences site is zoned C3A with the Downtown Parking and Downtown Height Overlays. It is classified as a residential project, which is a permitted/conditional use in these districts. In general, the project is supportable, but there may be changes recommended by staff during the public hearing review

and approval process. The site is located in the Downtown Growth Center as identified in The Minneapolis Plan for Sustainable Growth. The future land use map in The Minneapolis Plan for Sustainable Growth designates the site as Urban Neighborhood which supports the proposed residential use. The project's proposed uses would be appropriate in this area and would be in conformance with the comprehensive plan for land use.

729 Washington (729 Washington Ave. N., 728 N. 3rd Street)

Projected DEED Request: \$572,080

Projected Metropolitan Council TBRA Request: \$572,080

Greco, LLC is proposing to redevelop two vacant parcels, currently used as parking lots, into a mixed-use development that will include 50-60 market rate apartments, 12,000-15,000 square feet of retail/office, and structured parking. The projected total development cost is \$36,719,000. Grant funds, if awarded, will be used primarily for soil remediation.

This site is zoned B4N with the Downtown Parking Overlay. It is classified as a mixed-use project, which is a permitted/conditional use in these districts. In general, the project is supportable, but there may be changes recommended by staff during the public hearing review and approval process. The development site is located the North Loop. The site is located in the Downtown Growth Center and Target Field Transit Station Area as well as along the Washington Commercial Corridor as identified in The Minneapolis Plan for Sustainable Growth. The future land use map in The Minneapolis Plan for Sustainable Growth designates the site as Mixed Use which supports the proposed uses of residential, retail, and office. The project's proposed uses would be appropriate in this area and would be in conformance with the comprehensive plan for land use.

Anishinabe Bii Gii Wiin (1600 East 19th Street)

Projected Metropolitan Council TBRA Request: \$434,370

American Indian Community Development Corporation and Project for Pride in Living, Inc. propose to rehab Anishinabe Wakiagun, a 45-unit single room occupancy (SRO) permanent supportive housing facility and construct a new addition to add 32 SRO units. The projected total development cost is \$10,512,131. Grant funds, if awarded, will be used primarily for soil remediation.

The Anishinabe Bii Gii Wiin site is zoned OR2 with PO overlay district. It is classified as an assisted living facility, which is a conditional use in the OR2 district. The current proposal will require, at minimum, a conditional use permit for an assisted living facility and site plan review. In general, the project design is supportable, but there may be changes recommended by staff during the public hearing review and approval process. The development site is located on Franklin Avenue at 16th Ave South. The site is located in the Franklin Avenue Transit Station Area, in an Activity Center, and on the Franklin Avenue Commercial Corridor as identified in The Minneapolis Plan for Sustainable Growth. The future land use map in The Minneapolis Plan for Sustainable Growth designates the site as Mixed Use.

An assisted living facility would be an appropriate use in this location and would be in conformance with the comprehensive plan for land use.

CLCLT Homes – Fall 2014 (1910 Glenwood Ave.; 2105 Willow Ave. N.; 2908 12th Ave. S.; 2321 E. 35th St.; 3201 20th Ave. S.; 2539 Irving Ave. N.; 1939 Buchanan St. NE)

Projected Hennepin County ERF Request: \$170,000

The City of Lakes Community Land Trust [CLCLT] intends to rehabilitate seven single-family homes (for low-income buyers) that it acquired through its Homebuyer Initiated Program, or via partnerships with neighborhood groups, the City of Minneapolis and Hennepin County. The projected total development cost is \$290,000 for the seven rehab projects. Grant funds, if awarded, will be used for the abatement of asbestos and lead based paint in the homes in question. The rehabilitation of existing residential structures is in conformance with the goals of the comprehensive plan.

Encore, The (911, 935 2nd St. S.)

Projected DEED Request: \$225,000

Projected Metropolitan Council TBRA Request: \$19,500

Projected Hennepin County ERF Request: \$19,500

Sherman Associates plans to construct a new building that includes eleven levels (plus rooftop terrace and clubroom) with 122 market rate residential apartments, three levels of underground parking, and associated amenity spaces including fitness room, multiple club/community rooms, and outdoor pet exercise area. The projected total development cost is \$44,241,480. Grant funds, if awarded, will be used primarily for soil remediation.

The site is zoned C3A with the Downtown Parking and Downtown Height Overlays. It is classified as a residential project, which is a permitted/conditional use in these districts. In general, the project is supportable, but there may be changes recommended by staff during the public hearing review and approval process. The development site is located in the Downtown East neighborhood. The site is located in the Downtown Growth Center and Mill District Activity Center as identified in The Minneapolis Plan for Sustainable Growth. The future land use map in The Minneapolis Plan for Sustainable Growth designates the site as Mixed Use which supports the proposed use of residential. The project's proposed use would be appropriate in this area and would be in conformance with the comprehensive plan for land use.

Hawthorne EcoVillage Apts. (617 Lowry Ave. N., 3113 & 3117 6th St. N., 3110 & 3116 Lyndale Ave. N.)

Projected Metropolitan Council TBRA Request: \$118,800

Projected Hennepin County ERF Request: \$108,900

The Hawthorne EcoVillage Apartments will be the anchor project in the larger EcoVillage, an ambitious four-block redevelopment, and will provide quality

affordable homes to 75 households while serving as a model green building. The project consists of a 71-unit apartment building and four townhomes. The projected total development cost is \$16,448,320. Grant funds, if awarded, will be used for soil remediation and for the installation of a soil vapor mitigation system.

The site is zoned R4 Residential and OR2 Office Residence. A rezoning to eliminate the split zoning may be necessary, most likely to R4 Residential, but possibly OR2. The future land use map in The Minneapolis Plan for Sustainable Growth and Lowry Avenue Strategic Plan designates Lowry and Lyndale as Community Corridors that support medium-density residential (20-50 dwelling units per acre). The proposed building has 75 units, or a density of 58 dwelling units per acre, slightly higher than medium-density. The proposed multi-family residential use is in conformance with the comprehensive plan and small area plan.

Leef Park (164 Cedar Lake Road N.; 190, 194, 196, 198, 205, 212, 213, 217 James Ave. N.; 191, 195, 199, 208, 210, 216, 222, 226 Irving Ave. N.)

Projected Metropolitan Council TBRA Request: \$485,000
Projected Hennepin County ERF Request: \$485,000

The developer, Abdo Markethouse, has indicated that the first phase of the redevelopment of this site will involve renovating the existing 85,000 sq. ft. industrial building into approximately 60 condominium units (some affordable, some market rate). Later phases will involve redeveloping surrounding vacant lots into additional housing units. The projected total development cost is \$11,800,000. Grant funds, if awarded, will be used for soil remediation and for the abatement of asbestos and lead based paint in the existing building.

The site is zoned R5 Multi-family Residential, which would allow a 60 unit residential building. The Minneapolis Plan for Sustainable Growth and the Bassett Creek Valley Master Plan designate the area as a Growth Center and as appropriate for lower-density residential (10-29 dwelling units per acre). Residential use is in conformance with the goals of the plans.

Manufacturer's Building (401 1st Avenue N., 27 4th St. N.)

Projected Metropolitan Council TBRA Request: \$100,000

Wildamere Capital Management plans to rehabilitate a vacant, dilapidated six-story, 54,190 square foot office/retail building that was formerly the home of Nate's Clothing. The projected total development cost is \$9,097,063. Grant funds, if awarded, will be used for the abatement of hazardous materials in the existing building.

This site is zoned B4S-2 with the Downtown Parking Overlay. It is classified as a commercial project, which is a permitted/conditional use in these districts. In general, the project is supportable, but there may be changes recommended by staff during the public hearing review and approval process. The development site is located in the Downtown West neighborhood. The site is located in the Downtown Growth Center, two Transit Station Areas, and the Warehouse District Activity Center, as identified in The Minneapolis Plan for Sustainable Growth. The

future land use map in The Minneapolis Plan for Sustainable Growth designates the site as Mixed Use which supports the proposed use of office with retail. The project's proposed use would be appropriate in this area and would be in conformance with the comprehensive plan for land use.

Minnesota Brownfields (various locations TBD)

Projected Hennepin County ERF Request: \$200,000

Additional funding is being sought for Hennepin County's Brownfield Gap Financing Program, which is currently being administered by Minnesota Brownfields. The BGF Program provides small grants, primarily to non-profit organizations and mostly for environmental site investigations. To date, the BGF Program has provided financial support for 44 projects, 40 of which were located in the City of Minneapolis.

MPRB – East Bank Trail (1300/1326/1342/1356/1420/1510/1600 Water St. NE, 1415 Ramsey St. NE, and 1600 ½/1604 ½ Marshall St. NE)

Projected Hennepin County ERF Request: \$63,000

The Minneapolis Park and Recreation Board [MPRB] plans to construct multi-use off-street trails from the Plymouth Avenue bridge to Marshall St NE, partly within several current BNSF railroad right-of-way parcels. These trails will be segments in a system that will ultimately extend along both sides of the Mississippi, providing recreational/commuter routes for pedestrians and cyclists. This trail project received a \$1 million grant from the federal Transportation, Community and System Preservation Program and must be ready for bid on September 1, 2015. The projected total development cost is \$1,554,000. Grant funds, if awarded, will be used for primarily for soil remediation.

The East Bank Trail site is zoned I1 Light Industrial, with the Mississippi River Critical Area overlay district. It is classified as a park project, which is a permitted use in I1. The current proposal has not yet received formal approvals. It is possible that the project may be approved administratively, depending on the scope of improvements. In general, the project design is supportable, but there may be changes recommended by staff during the plan review and approval process. The site is located along the Mississippi riverfront between 8th Ave NE and the BNSF rail bridge. The site is located near the Grain Belt Activity Center, as identified in The Minneapolis Plan for Sustainable Growth. The future land use map in The Minneapolis Plan for Sustainable Growth designates the site as park which supports the uses in the proposed project. A park project would be an appropriate use in this location, and would be in conformance with the comprehensive plan for land use.

MPRB – NE Athletic Field Park, Phase 1 (1400 Fillmore St. NE, 1401 Polk St. NE)

Projected Hennepin County ERF Request: \$221,550

The Minneapolis Park and Recreation Board [MPRB] plans to improve the softball fields on MPRB-owned property west of Fillmore Street as part of the overall Northeast Athletic Field Master Plan. The reconfigured softball fields will allow for safer playing conditions and increase outfield dimensions. Planned field improvements include natural turf with irrigation, lighting, and fencing. The projected total development cost is \$1,700,000. Grant funds, if awarded, will be used for soil remediation.

The Northeast Athletic Field Park site is zoned R1A Single Family (low density). It is classified as a park project which is a permitted use in R1A. The current proposal has not yet received formal approvals. In general, the project design is supportable, but there may be changes recommended by staff during the plan review and approval process. The site is located near the intersection of Fillmore St NE and 14th Ave NE. The site is not located in or on any land use feature, as identified in The Minneapolis Plan for Sustainable Growth. The future land use map in The Minneapolis Plan for Sustainable Growth designates the site as park which supports the uses in the proposed project. A park project would be an appropriate use in this location, and would be in conformance with the comprehensive plan for land use.

New Horizon Academy (3354 Penn Ave. N.)

Projected DEED Request: \$274,950

Projected Metropolitan Council TBRA Request: \$183,375

Projected Hennepin County ERF Request: \$116,100

New Horizon Real Estate Development LLP plans to redevelop a currently vacant site into an approximate 12,127 square foot multi-story child care and early education center. The projected total development cost is \$2,711,000. Grant funds, if awarded, will be used primarily for soil remediation, the installation of a soil vapor mitigation system, and the management of contaminated groundwater.

The site is zoned C1 Commercial. A child care facility is a permitted use in the C1 District. The future land use map in The Minneapolis Plan for Sustainable Growth designates Penn Avenue North as a Community Corridor. The proposed use is in conformance with the comprehensive plan for land use.

Washington-Chicago Development (713/724 S. 3rd St.)

Projected DEED Request: \$423,450

Projected Metropolitan Council TBRA Request: \$423,450

Projected Hennepin County ERF Request: \$200,000

Sherman Associates intends to demolish an existing surface parking lot and an underutilized building, and then construct a new building with five levels of residential apartments (175 market rate units), two levels of underground parking

(partially for public use), and one level of commercial spaces (20-25,000 square feet). The projected total development cost is \$50,636,199. Grant funds, if awarded, will be used for soil remediation and for the abatement of asbestos in the existing building.

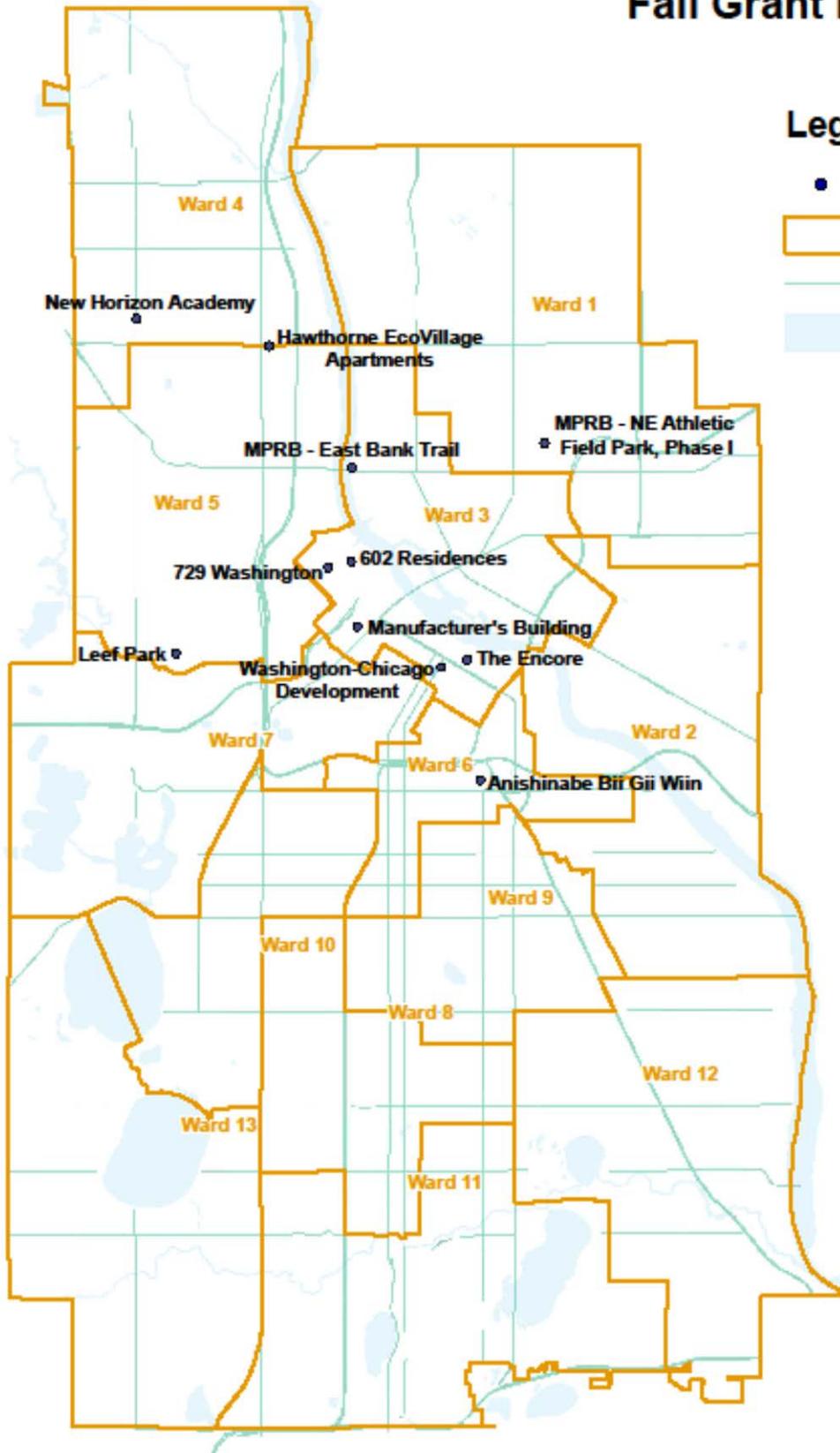
This site is zoned B4N with the Downtown Parking Overlay. It is classified as a mixed-use project, which is a permitted/conditional use in these districts. In general, the project is supportable, but there may be changes recommended by staff during the public hearing review and approval process. The development site is located in Downtown East. The site is located in the Downtown Growth Center, on the Washington and Chicago Commercial Corridors, and in the Downtown East Transit Station Area as identified in The Minneapolis Plan for Sustainable Growth. The future land use map in The Minneapolis Plan for Sustainable Growth designates the site as Mixed Use which supports the proposed uses of residential, retail, and a hotel. The project's proposed uses would be appropriate in this area and would be in conformance with the comprehensive plan for land use.

Brownfield Grant Pre-Applications: Fall Grant Round 2014

Created October 2014
CPED - Business Development

Legend

- 2014 Projects
- ▭ Ward Boundaries
- Major Roads
- Water



City of Minneapolis
Department of Community Planning
& Economic Development - CPED

Authorizing application to the Minnesota Department of Employment and Economic Development [DEED] Contamination Cleanup and Investigation Grant Program for various projects

BE IT RESOLVED by the City Council of The City of Minneapolis that:

The City of Minneapolis has approved the Contamination Cleanup grant applications to be submitted to the Department of Employment and Economic Development (DEED) on November 3, 2014 by the City of Minneapolis for the following sites: 602 Residences, 729 Washington, The Encore, New Horizon Academy, and Washington-Chicago Development.

BE IT FURTHER RESOLVED that the City of Minneapolis act as the legal sponsor for the projects contained in the Contamination Cleanup Grant Program applications to be submitted on November 3, 2014 and that the Director of the Department of Community Planning and Economic Development (or his designee) is hereby authorized to apply to the Department of Employment and Economic Development for funding of the aforementioned projects on behalf of the City.

BE IT FURTHER RESOLVED that the City of Minneapolis has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration.

BE IT FURTHER RESOLVED that the sources and amounts of the local match identified in the application are committed to the projects identified.

BE IT FURTHER RESOLVED that the City of Minneapolis has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its applications by the state and acceptance by the City Council, the City of Minneapolis may enter into agreements with the State of Minnesota for the above-referenced project(s), and that the City of Minneapolis certifies that it will comply with all applicable laws and regulation as stated in all contract agreements.

BE IT FINALLY RESOLVED that upon approval of its applications by the state and acceptance by the City Council, the Finance Officer or his designee will be authorized to execute such agreements as are necessary to implement the projects on behalf of the applicant.

Authorizing application to the Metropolitan Council Tax Base Revitalization Account [TBRA] for various projects

Whereas, the City of Minneapolis (the "City") is a participant in the Livable Communities Act's Local Housing Incentives Account Program for 2014 as determined by the Metropolitan Council, and is therefore eligible to make application for funds under the Tax Base Revitalization Account; and

Whereas, the City has identified the following investigation and/or clean-up projects within the City that meet the Tax Base Revitalization Account's purposes and criteria: 602 Residences, 729 Washington, Anishinabe Bii Gii Wiin, The Encore, Hawthorne EcoVillage Apts., Leef Park, Manufacturer's Building, New Horizon Academy, and Washington-Chicago Development; and,

Whereas, the City has the institutional, managerial and financial capability to ensure adequate project and grant administration; and

Whereas, the City certifies that it will comply with all applicable laws and regulations as stated in the contract grant agreements; and

Whereas, the City finds that the contamination investigation and/or cleanup will not occur through private or other public investment within the reasonably foreseeable future without Tax Base Revitalization Account grant funding; and

Whereas, the City represents that it has undertaken reasonable and good faith efforts to procure funding for the activities for which Livable Communities Act Tax Base Revitalization Account funding is sought but was not able to find or secure from other sources funding that is necessary for investigation and/or cleanup completion and states that this representation is based on the following reasons and supporting facts: City staff members provide information about all potential sources of brownfield grant funding and actively encourage project proponents to seek funding from as many prospective funding sources as possible.

Now, Therefore, Be It Resolved By the City Council of the City of Minneapolis:

That the City Council authorizes the Director of the Department of Community Planning and Economic Development or other appropriate City staff to apply on behalf of the City of Minneapolis to the Metropolitan Council for Tax Base Revitalization Account funding for one or more of the above-referenced projects. The City acknowledges that for each grant awarded to and accepted by the City, the City will be the grantee and will act as legal sponsor, and will administer and be responsible for grant funds expended for the project referred to in the applicable grant application.

Authorizing application to the Hennepin County Environmental Response Fund for various projects

Whereas, the City of Minneapolis intends to act as the legal sponsor for one or more of the following investigation or cleanup projects: 602 Residences, CLCLT Homes – Fall 2014, The Encore, Hawthorne EcoVillage Apts., Leef Park, MPRB – East Bank Trail, MPRB – NE Athletic Field Park Phase 1, New Horizon Academy, and Washington-Chicago Development;

Now, Therefore, Be It Resolved By the City Council of the City of Minneapolis:

That the City Council approves the aforementioned investigation and/or cleanup projects (although said approval does not confer other benefits or waive zoning, land use, building code or other applicable requirements), for which Environmental Response Fund grant applications are being submitted to the Hennepin County Department of Environmental Services on November 3, 2014 by the City of Minneapolis or by the affected property owner or developer.

That the City Council approves the investigation and cleanup projects (although said approval does not confer other benefits or waive zoning, land use, building code or other applicable requirements) to be funded by the Minnesota Brownfields Gap Financing Program, for which an Environmental Response Fund grant application will be submitted to the Hennepin County Department of Environmental Services on November 3, 2014 by Minnesota Brownfields (a nonprofit organization that will also be administering the program in question).

For each project identified above for which the City is not the applicant, the City Council approval granted by this resolution is specifically contingent upon the applicant agreeing to have City staff administer (subject to the applicable City grant administration fee) any Hennepin County ERF grant that results from an application submitted directly to the County by the project developer, if the City is administering funds from other grantors for related project activities.