

REPORT TO THE CITY COUNCIL FROM
THE COMMUNITY DEVELOPMENT AND REGULATORY SERVICES
COMMITTEE
STANDING COMMITTEE OF THE MINNEAPOLIS CITY COUNCIL
January 20, 2015

A regular meeting of the committee was convened at 1:30 p.m. on this date.

Members Present: Council Members Lisa Goodman (chair), Jacob Frey, Kevin Reich, Abdi Warsame, Alondra Cano

Members Absent: Council Member John Quincy

1. Wes Butler Honorary Resolution ([15-00074](#)):

Presentation of resolution honoring 15 years of service to the City of Minneapolis by Wes Butler.

Presentation by Council Member Goodman and Chuck Lutz, Deputy Director of the Department of Community Planning & Economic Development (CPED). Wes Butler accepted and spoke briefly. The resolution will be acted on at the City Council meeting of January 30, 2015.

Matters listed below are hereby submitted with the following recommendations; to-wit:

6. License Applications ([15-00077](#)):

Granting licenses recommended for approval.

New liquor, wine & beer establishment owners, licenses, permanent expansions, upgrades and added conditions to existing licenses detailed as follows: Spearmint Rhino Gentlemen's Club
725 Hennepin Ave (New Manager)

On motion by Goodman, carried on voice vote, the matter was approved.

7. Rental Dwelling License Re-instatement (3447 Oliver Ave N - Owner RHA3 LLC – Gavin Kleinknecht) ([15-00078](#)):

Approving reinstatement of license.

On motion by Goodman, carried on voice vote, the matter was approved.

8. Rental Dwelling License Conditions (66 addresses - Owner Steven Meldahl) ([15-00079](#)):

Approving placing conditions on licenses.

On motion by Goodman, carried on voice vote, the matter was approved.

9. Rental Dwelling License Conditions (618 36th St E & 2634 Jackson St NE - Owner Luis Romero) ([15-00080](#)):

Approving placing conditions on licenses.

On motion by Goodman, carried on voice vote, the matter was approved.

10. Minneapolis Public Housing Authority (MPHA) Board of Commissioners ([15-00081](#)):

Approving the City Council reappointments of Judge James Rosenbaum and Daisy Nguyen and appointing Berra Toka (replacing Mohammed Ali), for terms 1/1/2015-12/31/2017.

On motion by Goodman, carried on voice vote, the matter was approved.

11. University Gateway Corporation (McNamara Alumni Center University of Minnesota Project) ([15-00082](#)):

Adopting a resolution giving final approval to the issuance of up to \$17,000,000 in 501(c)(3) Tax-exempt Refunding Revenue Bonds to refund Series 2006 Bond.

On motion by Goodman, carried on voice vote, the matter was approved.

12. Parcel A Reciprocal Access and Maintenance Easement Agreement ([15-00083](#)):

Authorizing a Reciprocal Access and Maintenance Easement Agreement between the City of Minneapolis and Mill Place, Inc. for access and maintenance to alley right of way on Parcel A.

On motion by Goodman, carried on voice vote, the matter was approved.

13. 1026 Plymouth Ave N Lot Beautification ([15-00084](#)):

- a) Accepting and appropriating \$17,144.77 from Hennepin County and/or The Ackerberg Group, Inc. to remove asphalt and seed a City-owned vacant industrial lot at 1026 Plymouth Ave N;
- b) Adopting appropriation resolution and increasing budget source;
- c) Authorizing execution of a memorandum of understanding with Hennepin County and The Ackerberg Group, Inc. as well as a contract with the Tree Trust as may be necessary to implement such activities (**Refer to W&M**).

On motion by Goodman, carried on voice vote, the matter was approved and referred to the Ways & Means Committee.

14. Minnesota Department of Employment and Economic Development (DEED) Redevelopment Grant Program Applications ([15-00085](#)):

Adopting a resolution authorizing staff to submit applications to the DEED Redevelopment Grant Program for the following projects: 602 Condominiums, 4041 Hiawatha, Eastside Food Cooperative Expansion, and Huron Hotel (**Refer to W&M**).

On motion by Goodman, carried on voice vote, the matter was approved and referred to the Ways & Means Committee.

15. 2014 Emergency Solutions Grant (ESG) Services Funding Recommendations ([15-00086](#)):

- a) Approving up to \$262,768 of Fiscal Year 2014 ESG funds for the following service initiatives:
1) Up to \$125,500 for St. Stephens; and 2) Up to \$137,268 for Catholic Charities;
- b) Authorizing execution of the necessary contracts with the organizations receiving ESG funding awards (**Refer to W&M**).

On motion by Goodman, carried on voice vote, the matter was approved and referred to the Ways & Means Committee.

16. Minnesota Housing Finance Agency (MHFA) Funds and Rehab Support Program ([15-00087](#)):

- a) Accepting MHFA Single Family Fall 2014 Community Revitalization Funds award totaling \$200,000;
- b) Adopting a resolution increasing the CPED appropriation and revenue source by \$200,000;
- c) Authorizing execution of grant, sub-recipient and/or disbursement and related agreements;
- d) Approving a contract with Greater Metropolitan Housing Corporation in the amount of \$230,000 of which \$200,000 is for program loans and \$30,000 is for administrative costs (**Refer to W&M**).

On motion by Goodman, carried on voice vote, the matter was approved and referred to the Ways & Means Committee.

17. HOME Program Income ([15-00088](#)):

Adopting a resolution increasing the CPED Residential Finance appropriation by \$51,235.09 for Affordable Housing Trust Fund program and increasing the CPED HOME-Residential and Real Estate Development appropriation by \$635,155.52 for Home Ownership Works program and program administration from the available fund balance (**Refer to W&M**).

On motion by Goodman, carried on voice vote, the matter was approved and referred to the Ways & Means Committee.

The Community Development & Regulatory Services Committee and the Minneapolis Community Development Agency (MCDA) Operating Committee, whose memberships are identical, convened to conduct a public hearing and consider Item #2.

2. Charter Schools Development Corp/Hiawatha Academies Project (1611 E 46th St) ([15-00075](#)):

Considering a resolution giving preliminary and final approval to the issuance of up to \$6,600,000 in MCDA – Educational Facilities Revenue Notes, Series 2015, 501(c)(3) Bank Qualified Bank Direct Revenue Bonds to assist in financing the acquisition, construction and equipping of a charter school facility (**Refer to MCDA Board of Commissioners**).

Staff presentation by Becky Shaw, CPED staff.

The public hearing was opened. There being no persons wishing to speak, the joint public hearing was closed.

On motion by Cano, carried on voice vote, the matter was approved and referred to the MCDA Board of Commissioners.

3. Green Homes North Program Round 4 Funding Awards and Land Sale Public Hearing ([15-00076](#)):

a) Approving the award of up to \$608,425 in Fund 01SCD for development gap funding for the construction of 13 green homes on City-owned vacant lots in North Minneapolis, as submitted by five non-profit developers (Greater Metropolitan Housing Corporation, PPL Homes LLC, PRG, Inc., Twin Cities Habitat for Humanity, Inc. and Urban Homeworks, Inc.) and two private developers (Concord Universal LLC and Peyser LLC) in response to the City's Request for Proposals;

b) Authorizing related agreements with the selected qualified developers, including additional Green Homes North program requirements identified by the Design Review Committee;

c) Considering a resolution approving the sale of properties to the developers or affiliated entities, subject in each case to the following: 1) land sale closing must occur on or before 90 days from the date of City Council approval; 2) payment of holding costs of \$300 per month, if the land sale closing does not occur on or before the closing deadline. The sale conditions may be waived or amended with approval of the CPED Director:

2915 4th St N for \$2600 to PPL Homes LLC or an affiliated entity;

2627 Dupont Ave N for \$2500 to PPL Homes LLC or an affiliated entity;

2945 Bryant Ave N for \$2500 to PPL Homes LLC or an affiliated entity;

2517 James Ave N for \$2600 to PRG, Inc. or an affiliated entity;

3539 Fremont Ave N for \$3800 to Urban Homeworks, Inc. or an affiliated entity;

3607 Bryant Ave N for \$3800 to Greater Metropolitan Housing Corporation or an affiliated entity;

3115 Sheridan Ave N for \$2500 to Greater Metropolitan Housing Corporation or an affiliated entity;

2719 Irving Ave N for \$2500 to Twin Cities Habitat for Humanity, Inc. or an affiliated entity;

2958 Knox Ave N for \$2600 to Twin Cities Habitat for Humanity, Inc. or an affiliated entity;

3100 Newton Ave N for \$2500 to Twin Cities Habitat for Humanity, Inc. or an affiliated entity;

3011 Knox Ave N for \$2500 to Twin Cities Habitat for Humanity, Inc. or an affiliated entity;

3519 Dupont Ave N for \$3800 to Peyser LLC or an affiliated entity;

2027 Russell Ave N for \$5000 to Concord Universal LLC or an affiliated entity.

Staff presentation by Cherie Shoquist, CPED staff.

The public hearing was opened.

The following person spoke in support:
Ishmael Israel, 1315 Penn Ave N, Minneapolis.

The public hearing was closed.

On motion by Reich, carried on voice vote, the matter was approved..

18. Humboldt Greenway Single Family Residential Housing Development Project ([15-00089](#)):

a) Authorizing execution of the Option to Purchase Agreement and related Purchase Agreements with Hennepin County, as administrator of state of Minnesota tax-forfeited lands, to purchase forty-seven tax-forfeited vacant lots for the Humboldt Greenway Housing Development Project;

b) Adopting a resolution increasing CPED appropriation by \$23,500 (**Refer to W&M**).

Staff presentation by Cherie Shoquist, CPED staff.

Goodman opened the meeting for additional information/presentation by Hennepin County staff.

Jeffrey Strand, Administrative Manager with Hennepin County/Property Tax Division, spoke to the joint City-County venture.

On motion by Goodman, carried on voice vote, the matter was approved and referred to the Ways & Means Committee.

19. Hollywood Theater Project ([15-00090](#)):

a) Accepting a Legacy Grant awarded by the Minnesota Historical Society for the Hollywood Theater project;

b) Adopting a resolution increasing the CPED appropriation and revenue source by \$262,208;

c) Authorizing execution of grant, subrecipient and/or disbursement and related documents and agreements for these grants (**Refer to W&M**).

Staff presentation by Miles Mercer, CPED staff.

On motion by Reich, carried on voice vote, the matter was approved and referred to the Ways & Means Committee.

20. Praxis Foods Extension of Exclusive Development Rights (re properties at 1256 Penn Ave N & 1235-1243 Oliver Ave N) ([15-00091](#)):

Granting a three month extension to the exclusive development rights to Praxis Foods through April 30, 2015 for the Penn/Plymouth properties.

Staff presentation by Beth Grosen, CPED staff.

On motion by Goodman, carried on voice vote, the matter was approved and referred to the Ways & Means Committee.

4. Tangiers (116 1st Ave N) ([15-00077](#)):

Consider application for On Sale Liquor, Class B with Sunday Sales (Permanent Expansion of Premises).

Staff presentation by Grant Wilson, CPED/Licenses & Consumer Services staff.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Frey, carried on voice vote, the matter was approved.

5. Tobacco Dealers/E Cigarette Sampling Ordinance ([15-00041](#)):

Considering an ordinance amending Title 13, Chapter 281 of the Minneapolis Code of Ordinances relating to Licenses and Business Regulations: Tobacco Dealers, allowing retail shops that sell primarily tobacco products to allow indoor sampling of e-cigarettes (by Gordon).

Staff presentation by Grant Wilson, CPED/Licenses & Consumer Services staff.

The public hearing was opened.

The following person spoke in support:
Cap O'Rourke, 5816 10th Ave S, Minneapolis.

The public hearing was closed.

On motion by Frey, carried on voice vote, the matter was approved.

With no further business to transact, the meeting adjourned at 2:20 p.m.

Reported by Irene Kasper, Committee Coordinator