

City of Minneapolis
Request for Committee Action

To: Ways & Means
Date: 4/11/2016
From: Finance & Property Services
Prepared by: Gallagher, Nora M.
Presented by: Rebecca Law
File type: Action
Subcategory: Contracts & Agreements

Subject:

Negotiation authorization for potential purchase of 1501 West River Road N

Description:

Authorizing City negotiation with Minneapolis Wrought Washer Company for the purchase of 1501 West River Road N for municipal operations purposes including Police evidence operations currently housed in City Hall and property storage transferred from the Grain Belt Annex.

Previous Actions:

None

Ward/Address:

Ward 5
1501 West River Road N

Background/Analysis:

The City currently stores evidence for the Police Department in several locations, most notably City Hall at 350 South 5th St, the Grain Belt Annex at 74 – 14th Ave NE and the Harriet Maintenance Facility at 6024 Harriet Avenue South. The Facility, Space and Asset Management (FSAM) Committee has recommended that the Police evidence operations be moved out of City Hall as part of a long-term plan. The property stored at the Grain Belt Annex must be moved because a redevelopment Request for Proposals will be issued in 2016 by the Community Planning and Economic Development (CPED) department.

The 1501 West River Road N property sits on 2.5 acres and contains a 41,225 square foot building. The parcel is zoned I-2 (Medium Industrial District) and is owned by Minneapolis Wrought Washer Company. The site has an abundance of parking stalls in both fenced and unfenced areas. The owner has indicated they are willing to consider selling to the City of Minneapolis.

After conducting due diligence investigations, Finance & Property Services (F&PS) concluded that purchasing the 1501 W. River Road N property would accommodate evidence and staff relocations from City Hall and the Grain Belt Annex. (FSAM recommended that police property continue to be housed at the 6024 Harriet Ave S location.)

The 1501 West River Road N parcel also provides an important synergy with the adjacent 1499 West River Road N building, where F&PS staff is recommending a lease for Regulatory Services

staff and Emergency Management storage. Owning the 1501 West River Road N property would provide secure and convenient parking for the Regulatory Services fleet of 50 vehicles.

Staff requests authorization to negotiate for the purchase of the 1501 West River Road N property. If negotiations are successful, staff will return to this Committee to request approval of the price and terms. At the same time, staff will also submit a Capital Improvement Plan and recommended funding for physical changes to the building to meet the program needs of the Police Department.

Financial Review:

No financial impact.

No funding is needed at this time since the requested action is only for “authorization to negotiate.” Upon completion of negotiations, staff will return with recommendations for funding.

cc: Travis Glampe
Robin McPherson
Sandra Christensen
Doreen Bragstad-Otto