

City of Minneapolis

Request for Committee Action

To: Community Development & Regulatory Services
Date: 6/7/2016
Referral: N/A
From: Community Planning & Economic Development
Lead Staff: Tiffany Glasper, Sr. Project Coordinator – 612.673.5221
Presented by: Tiffany Glasper, Sr. Project Coordinator
File Type: Action
Subcategory: Contract/Agreement

Subject:

Awarding Exclusive Development Rights for Pinnacle Management, LLC – Satori Project

Description:

Approving exclusive development rights to Pinnacle Management, LLC for a period not to exceed 24 months on three City-owned parcels at 1830 and 1832 Bryant Avenue North and 817 ½ West Broadway Avenue. There will be no non-competitive public financial resources going into the project.

Previous Actions:

None

Ward/Address:

Ward 5

1830 Bryant Avenue North (WB 8-9) – 16-029-24-41-0078, 1832 Bryant Avenue North (WB 8-10) – 16-029-24-41-0077, 817 ½ West Broadway Avenue (WB 8-13) – 16-029-24-14-0205

Background/Analysis:

All of the subject parcels are located within in the West Broadway Redevelopment Project. The West Broadway Redevelopment Plan was approved by the City Council in 1973, and has been formally modified multiple times, most recently by City Council action on July 24, 2015.

The subject parcels were acquired by the City at various times between 2000 and 2007. The parcels were acquired through a variety of means including tax forfeiture and voluntary purchase from private parties. Detailed information about individual purchases and costs would be included in a future land sale report if any of the parcels are sold for redevelopment. It is anticipated that the proposed redevelopment activity will conform to the provisions of the West Broadway Redevelopment Plan. However, if necessary, a modification to the plan will be presented for Council approval prior to the sale of any properties.

Pinnacle Management, LLC has demonstrated to staff's satisfaction, that they have secured site control on several adjacent properties, including 819, 821 and 825 West Broadway and 1838, 1836, 1828, 1818, 1816, 1812, 1810 and 1802 Bryant Avenue North. Pinnacle Management, LLC is proposing to assemble the City-owned parcels with the parcels they own for a larger, mixed use project that would include 16,000 square feet of ground floor commercial/retail space and 54 residential housing units above. City staff has been working with the developer to refine their plan and site design and will continue to do so throughout the development process. The proposed project would bring quality, sustainable commercial/retail along with additional

housing units to this community, which has seen significant population loss over the last several years. Increased housing density and diversifying the housing options in north Minneapolis is a City priority. Achieving these goals will be a positive draw and will act to facilitate future development activity.

Pinnacle Management, LLC is requesting and we are recommending the approval of exclusive development rights for the three (3) properties that are the subject of this report for a period of 24 months in order to allow the developer adequate time to secure project financing. Pinnacle Management, LLC will pay holding costs of \$2,000 per lot per year for the 24-month period.

Financial Review:

Select financial statement.

Future budget impact anticipated.

The developer will pay the City's property management costs during the term of the agreement, thus alleviating the City's financial burden.

Approved by the Permanent Review Committee.

Meets Small and Underutilized Business Program goals.

Attachments: