



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

**Date:** June 8, 2004

**To:** Council Member Lisa Goodman, Community Development Cmte  
Council Member Barbara Johnson, Ways and Means/Budget Cmte

**Prepared by:** Beverly A. Wilson, Planner, Phone 612-673-5030

**Presenter in Committee:** Theresa Cunningham, Project Coordinator, Phone 612-673-5237

**Approved by:** Lee Pao Xiong, Director, Housing \_\_\_\_\_

**Subject:** Clare Apartments/Old Third Avenue Townhomes Redevelopment and TIF Plans; Related Modifications

**RECOMMENDATION:** Schedule public hearing for the Clare Apartments/Old Third Avenue Townhomes Redevelopment and TIF Plans and related Modifications; Request review and comment by Ways and Means/Budget Committee.

**Financial Impact** (Check those that apply)

- No financial impact - or - Action is within current department budget.  
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

**Background/Supporting Information**

The project is a mixed-use, mixed-income development, featuring affordable rental housing serving individuals living with HIV/AIDS, home ownership opportunities, office space for Clare Housing with a small community room, shared parking lot improvements and green space.

The developers, Clare Housing and Central Community Housing Trust, propose to develop 32 units of rental housing, 8 for-sale townhomes and reconfigured shared parking for the development residents and Minneapolis Public Housing Agency's Spring Manor (located at 828 Spring St. NE) residents adjacent to the site.

Clare Housing acquired the vacant King of Clubs property (located at 957 Central Avenue NE) in 2002 and razed it on December 29, 2003. The balance of the site is owned by CPED/City of Minneapolis and MPHA. Negotiations with MPHA are underway to convey a portion of the Spring Manor property currently used as surface parking to the development in exchange for a reconfiguration of the existing eastern portion of the surface parking lot, as well as Clare Housing, MPHA, and the subsequent Old Third Avenue Condominium Homeowners Association, who will enter into a shared parking agreement

Modification No. 15 to the St. Anthony West/East Bank I-335 Urban Renewal and TIF Plan removes parcels from the Project Area and TIF District in order that those parcels can be included in the new Clare Apartments/Old Third Avenue Townhomes TIF District and Project Area. Because the St. Anthony West/East Bank I-335 Urban Renewal Project and TIF District are in the Common Project, Modification No. 99 to the Common Plans has also been prepared. The new Clare Apartments/Old Third Avenue Townhomes TIF District and project area are not being incorporated into the Common Project and will not be subject to the existing Common Project obligations and commitments, and are being created as a free-standing tax increment district and project area.

The proposed TIF district includes six existing tax parcels<sup>1</sup> and a portion of a parcel located at 828 Spring Street NE<sup>2</sup>, at the intersection of old 3<sup>rd</sup> Avenue and Central Avenue Northeast.

It is requested that the Community Development Committee schedule a public hearing on the proposed Plans, to be held by the Community Development Committee on Tuesday, June 22, 2004, at 1:30 p.m. Final Council Action will be held on Friday, July 2, 2004.

It is requested that the Ways and Means/Budget Committee review the proposed Plans and submit its comments at the public hearing to be held by the Community Development Committee on Tuesday, June 22, 2004.

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<sup>1</sup> A replat has been applied for and there is currently a division in process for the reconfiguration of the existing parcels.

<sup>2</sup> A ministerial lot division to enable Hennepin County to assign 2 property identification numbers to allow the appropriate portion to be included within the TIF district is underway.