

REPORT TO THE CITY COUNCIL FROM
HOUSING POLICY & DEVELOPMENT COMMITTEE

December 4, 2019

A regular meeting of the committee was convened at 1:25 p.m. on this date.

Members Present: Council Members Cam Gordon (Chair), Jeremiah Ellison (Vice-Chair), Kevin Reich, Lisa Goodman, Lisa Bender, and Jeremy Schroeder (Quorum - 4)

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

1. Land Sale: 1337 Newton Ave N to Vu Dang ([2019-01328](#))
 1. Passage of Resolution approving the sale of the property at 1337 Newton Ave N, (Disposition Parcel No. MH-168), to Vu Dang or affiliated entity for \$20,000, subject to conditions.
 2. Approving the award of up to \$20,000 in Homebuyer Incentive funds to Vu Dang.
 3. Authorizing related agreements with Vu Dang or affiliated entity.

Staff presentation by Matthew Ramadan, Department of Community Planning & Economic Development (CPED).

The public hearing was opened.

The following person spoke in support:

1. Vu Dang, proposed purchaser of subject property

The public hearing was closed.

Ellison moved to approve. On voice vote, the motion passed.

2. Land sales and funding awards for Minneapolis Homes Development Assistance Round 4 ([2019-01378](#))
 1. Passage of Resolution approving the sale of the properties at 1400 Morgan Ave N (Disposition Parcel No. MH-169) for \$20,500, at 1410 Morgan Ave N (Disposition Parcel No. MH-170) for \$20,000, at 1414 Morgan Ave N (Disposition Parcel No. MH-171) for \$20,000, at 1818 Sheridan Ave N (Disposition Parcel No. MH-173) for \$20,200, at 2023 Queen Ave N (Disposition Parcel No. MH-182) for \$20,000, at 2031 Queen Ave N (Disposition Parcel No. MH-111) for \$20,000, and 2214 Russell Ave N (Disposition Parcel No. MH-144) for \$20,200, to MyHomeSource LLC (MyHomeSource), subject to conditions.
 2. Passage of Resolution approving the sale of the properties at 3950 Thomas Ave N (Disposition Parcel No. MH-80) for \$30,000, and at 1719 Sheridan Ave N (Disposition Parcel No. MH-172) for \$21,400, to City of Lakes Community Land Trust (CLCLT), subject to conditions.
 3. Passage of Resolution approving the sale of the properties at 3518 Humboldt Ave N (Disposition Parcel No. MH-209) for \$12,500, at 3642 Bryant Ave N (Disposition Parcel No. MH-208) for \$12,500, at 3950 Bryant Ave N (Disposition Parcel No. MH-207) for \$15,000, at 3954 Bryant Ave N (Disposition Parcel No. MH-206) for \$15,000, at 4018 Bryant Ave N (Disposition Parcel No. MH-205) for \$15,100, at 4336 Irving Ave N (Disposition Parcel No. MH-204) for \$15,000 to eStoreMasters LLC (eStoreMasters), subject to conditions.

4. Passage of Resolution approving the sale of the properties at 2650 Colfax Ave N (Disposition Parcel No. MH-203) for \$5,000, at 2719 Colfax Ave N (Disposition Parcel No. MH-202) for \$5,000, at 2803 Bryant Ave N (Disposition Parcel No. MH-184) for \$5,000, at 2826 Bryant Ave N (Disposition Parcel No. MH-201) for \$5,000, at 4338 Knox Ave N (Disposition Parcel No. MH-200) for \$13,000, at 1911 Oliver Ave N (Disposition Parcel No. MH-174) for \$20,200, at 1927 Oliver Ave N (Disposition Parcel No. MH-177) for \$20,200, at 2003 Queen Ave N (Disposition Parcel No. MH-179) for \$20,000, at 2018 Sheridan Ave N (Disposition Parcel No. MH-68) for \$20,000, and at 2026 Sheridan Ave N (Disposition Parcel No. MH-145) for \$20,000, to Greater Metropolitan Housing Corporation (GMHC), subject to conditions.
5. Passage of Resolution approving the sale of the properties at 3411 Girard Ave N (Disposition Parcel No. MH-190) for \$12,500, and at 2027 Russell Ave N (Disposition Parcel No. MH-67) for \$20,000, to Jenny Investments LLC (Jenny Investments), subject to conditions.
6. Passage of Resolution approving the sale of the properties at 1914-1916 Hillside Ave N (Disposition Parcel No. MH-175 & MH-176) for \$6,400, at 2027 James Ave N (Disposition Parcel No. MH-189) for \$5,100, at 2743 Queen Ave N (Disposition Parcel No. MH-188) for \$5,000, and at 2747 Queen Ave N (Disposition Parcel No. MH-187) for \$5,000, to John Aish Inc. (John Aish), subject to conditions.
7. Passage of Resolution approving the sale of the property at at 2410 Dupont Ave N (Disposition Parcel No. MH-185) for \$5,300, to Magnolia Homes, LLC (Magnolia Homes), subject to conditions.
8. Passage of Resolution approving the sale of the properties at at 2434 Irving Ave N (Disposition Parcel No. MH-186) for \$5,500, to Paragon Grounds LLC (Paragon Grounds), subject to conditions.
9. Passage of Resolution approving the sale of the properties at 1929 Hillside Ave N (Disposition Parcel No. MH-178) for \$5,100, at 2018 Willow Ave N (Disposition Parcel No. MH-181) for \$4,500, at 2206 James Ave N (Disposition Parcel No. MH-112) for \$5,200, at 2509 Girard Ave N (Disposition Parcel No. MH-219) for \$5,300, at 2610 Newton Ave N (Disposition Parcel No. MH-218) for \$5,000, at 2623 Newton Ave N (Disposition Parcel No. MH-217) for \$5,000, at 2639 Girard Ave N (Disposition Parcel No. MH-216) for \$5,000 and at 1625 26th Ave N (Disposition Parcel No. MH-215) for \$5,100, to PRG Inc. (PRG), subject to conditions.
10. Passage of Resolution approving the sale of the properties at 3238 Vincent Ave N (Disposition Parcel No. MH-212) for \$20,000, at 3247 Irving Ave N (Disposition Parcel No. MH-211) for \$12,500, at 3656 Emerson Ave N (Disposition Parcel No. MH-210) for \$12,700, at 3658 Emerson Ave N (Disposition Parcel No. MH-231) for \$11,000, at 412 Logan Ave N (Disposition Parcel No. MH-34) for \$15,800, at 418 Logan Ave N (Disposition Parcel No. MH-35) for \$15,800 and at 423 30th Ave N (Disposition Parcel No. MH-214) for \$4,800, to Twin Cities Habitat (Habitat), subject to conditions.
11. Passage of Resolution approving the sale of the properties at 3601-3619 Lyndale Ave N (Disposition Parcel No. MH 224, MH-223, MH-222, and MH-221) for \$76,500 to Greater Metropolitan Housing Corporation (GMHC), subject to conditions.
12. Passage of Resolution approving the sale of the property at 2705 Emerson Ave N (Disposition Parcel No. MH-232) for \$10,000 to Green Affordable Homes of Minnesota, LLC, (GAHMN) subject to conditions.

13. Authorizing an exclusive development rights agreement with Green Affordable Homes of Minnesota, LLC for the properties at 3014-3024 Emerson Ave N, for two years.
14. Authorizing agreements with the selected qualified developers or affiliated entities, and authorizing the Department of Community Planning & Economic Development Director to make modifications.
15. Authorizing the Community Planning and Economic Development Director to amend agreements with developers selected in all previous Development Assistance funding rounds in accordance with the City Council approved Program Manual.

Staff presentation by Kevin Knase, CPED.

The public hearing was opened.

The following persons spoke in support:

1. Kathy Wetzel-Mastel, Executive Director of PRG, Inc.
2. Kimberly Miller, accompanied by Mike Havis, with Green Affordable Homes of Minnesota, LLC

The public hearing was closed.

Gordon moved to approve. On voice vote, the motion passed.

3. Modification No. 3 to Housing Replacement District Tax Increment Financing Plan ([2019-01376](#))

Passage of Resolution approving Modification No. 3 to the Housing Replacement District Plan, increasing tax increment revenues and expenditures by \$200,000.

Staff presentation by Kevin Knase, CPED.

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

Gordon moved to approve and refer to the Ways & Means Committee meeting of December 10, 2019. On voice vote, the motion passed.

4. Minneapolis Public Housing Authority (MPHA) appointments ([2019-01374](#))

1. Confirming the following Mayoral reappointments to the Minneapolis Public Housing Authority for three-year terms beginning Jan 1, 2020, and ending Dec 31, 2022: Cara Letofsky, Seat 2, Ward 2; and Andrea Brennan, Seat 3, Ward 13.
2. Confirming the following Mayoral reappointments to the Minneapolis Public Housing Authority for three-year terms beginning Jan 1, 2020, and ending Dec 31, 2022: Cara Letofsky, Seat 2, Ward 2; and Andrea Brennan, Seat 3, Ward 13.

Gordon moved to approve. On voice vote, the motion passed.
[Bender absent]

5. Carryforward of Year 2019 Tax Exempt Housing Revenue Bonds ([2019-01373](#))

Passage of Resolution authorizing the carryforward of unused Year 2019 Tax Exempt Housing Revenue Bonds for the Multifamily Housing Program.

Gordon moved to approve. On voice vote, the motion passed.

[Bender absent]

6. Transfer of Redevelopment Contract with Blue Golds Ventures, LLC to Great Lakes Property Group for 756 Jackson St NE ([2019-01380](#))
 1. Approving the transfer and assignment of the Redevelopment Contract for 756 Jackson St NE, with Blue Golds Ventures, LLC to Great Lakes Property Group, LLC or an affiliated entity.
 2. Amending the Redevelopment Contract to reflect the new project terms.

Gordon moved to approve. On voice vote, the motion passed.

[Bender absent]

7. Bid for property maintenance, mowing and snow removal ([2019-01389](#))
 1. Accepting the bid of Dwaynes Lawn and Snow Care, submitted on Event No. 678, in the amount of \$534,600, to furnish and deliver all labor, materials, and incidentals, for property maintenance, mowing and snow removal from Jan 1, 2020 to Dec 31, 2022, and authorizing a contract for the service, all in accordance with City specifications.
 2. Accepting the bid of Hennepin County Sentence to Serve, submitted on Event No. 678, in the amount of \$390,500, to furnish and deliver all labor, materials, and incidentals, for property maintenance, mowing and snow removal from Jan 1, 2020 to Dec 31, 2022, and authorizing a contract for the service, all in accordance with City specifications.
 3. Accepting the bid of Better Futures Minnesota submitted on Event No. 678, in the amount of \$594,000, to furnish and deliver all labor, materials, and incidentals, for property maintenance, mowing and snow removal from Jan 1, 2020 to Dec 31, 2022, and authorizing a contract for the service, all in accordance with City specifications.
 4. Accepting the bid of Tree Trust submitted on Event No. 678, in the amount of \$459,000, to furnish and deliver all labor, materials, and incidentals, for property maintenance, mowing and snow removal from Jan 1, 2020 to Dec 31, 2022, and authorizing a contract for the service, all in accordance with City specifications.

Gordon moved to approve and refer to the Ways & Means Committee meeting of December 10, 2019. On voice vote, the motion passed.

[Bender absent]

8. City of Minneapolis Unified Housing Policy amendments ([2019-01379](#))
 1. Adopting an amended and restated City of Minneapolis Unified Housing Policy to include Inclusionary Zoning requirements, a ban on short-term rentals in projects that receive City financial assistance and/or are developed on property purchased from the City and other miscellaneous formatting updates.
 2. Adopting amendments to the City of Minneapolis Inclusionary Zoning Revenue Loss Offset Assistance Policy.

Staff presentation by Andrea Brennan, CPED.

The Chair afforded the courtesy of the floor to Stephanie Reyes, with Grounded Solutions Network.

Bender moved to add a "No Net Loss" provision to the Unified Housing Policy, as follows:

“If a project with 100 or more residential units will demolish dwelling units that are 50 or more years old, the inclusionary zoning requirement shall be the greater of 8% of the new residential units or the number of dwelling units that are 50 or more years old that will be demolished. If the project chooses an alternative compliance option, the alternative compliance requirement will reflect the revised inclusionary zoning requirement.”

Gordon moved to incorporate student eligibility into the Unified Housing Policy and Inclusionary Zoning Compliance Manual, as follows:

“Adding a definition of ‘Student Eligible Housing’ which shall mean projects that meet the following requirements:

Provide on-site affordable units, where at least 8% of the total units in the project are affordable to and occupied by households with an income at or below 60% of AMI; and

Do not receive Revenue Loss Offset assistance; and

Are in the University Overlay District. Staff are further directed to revisit this limitation after three years, and make a recommendation to remove it or leave it in place.

Clarifying that for Student Eligible Housing, units can be counted on a per bedroom basis if all leases in the project are signed for individual bedrooms rather than on a unit basis provided the maximum rent for a bedroom must not exceed 60% of the maximum rent for an efficiency unit at the 60% AMI limit, as published annually by HUD.

Establishing that students who are eligible for the federal Pell grant shall be eligible for Student Eligible Housing.”

On motion by Gordon, carried on voice vote, the matter was approved, with the Bender and Gordon amendments.

With no further business to transact, the meeting adjourned at 2:33 p.m.

Reported by Irene Kasper, Council Committee Coordinator