



**CITY COUNCIL, HRA AND PLANNING COMMISSION WORK SESSION
BARTHOLOMEW ROOM
NOVEMBER 26, 2019
6:00 PM**

Call to order

1. Consider a proposal for a 112-unit multi-family redevelopment by NorthBay at 6345 Lyndale Avenue South, 520/22, 600/02 and 608/10 64th Street.

Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9738.



STAFF MEMO NO. 16
WORK SESSION
11/26/2019

REPORT PREPARED BY: John Stark, Community Development Director

DEPARTMENT DIRECTOR REVIEW: John Stark, Community Development Director
11/19/2019

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager
11/20/2019

ITEM FOR WORK SESSION:

Consider a proposal for a 112-unit multi-family redevelopment by NorthBay at 6345 Lyndale Avenue South, 520/22, 600/02 and 608/10 64th Street.

EXECUTIVE SUMMARY:

NorthBay (Developer) has entered into purchase agreements for the properties at 6345 Lyndale Avenue South, 514, 520/22, 600/02 and 608/10 64th Street (see attached "context map") and is proposing to rehabilitate the existing 22-unit apartment building at 6345 Lyndale Avenue South and build a new 5-story 90-unit building on the remainder of the property. The area in which the new building and its associated parking is proposed is currently occupied by three duplexes and a single-family home.

The majority of the existing property is guided as Medium Density Residential in the Comprehensive Plan and designated as MR-2 Multi-Family Residential in the Zoning Ordinance. One parcel (514 E. 64th St) is currently zoned Single-Family Residential. As proposed the project would need a Comprehensive Plan Amendment (to High Density Residential) and would need to be rezoned (likely to PMR - Planned Multi-Family Residential).

Due to the high cost of land assembly, structured parking and other subsurface construction costs, the Developer has determined that they would almost certainly require some degree of public financial assistance to make the project feasible. The most appropriate public funding identified by staff would be a Housing Tax Increment Financing (TIF) District. A Housing TIF District would require that either 20% of the units be affordable to households earning up to 50% of the Area Median Income (AMI) or 40% of the units to be affordable to households earning up to 60% of the AMI.

As proposed, the development is short on parking (by approximately 17 spaces if applying a 1.15space/1unit expectation), but the abutting apartment complex (at 6301-6335 Lyndale Avenue South) appears to have excess parking and the Developer is looking into ways in which to utilize that parking capacity for their development.

The development also abuts Garfield Park. Currently, this elongated park does not have access to 64th Street. To remedy this, the Developer is proposing an access with a trail on their development property and would be open to either preserving that as an easement to the City or deeding it outright to the City.

DIRECTION NEEDED:

Staff is seeking a first reaction from policy-makers. If the initial reaction is overwhelmingly positive, then staff would recommend progressing to the Housing and Redevelopment Authority for the consideration of a Preliminary Development Agreement in January. If policy makers are less enthusiastic in their support, then staff would direct them to either modify or further refine their proposal and return for an additional Work Session to continue the dialog.

BACKGROUND INFORMATION:

A. **HISTORICAL CONTEXT**

NorthBay is also the developer of the Henley apartments at 6324 Lyndale Avenue South. Staff has found the Developer to be responsible, responsive and timely on that project.

B. **POLICIES (resolutions, ordinances, regulations, statutes, etc):**

C. **CRITICAL TIMING ISSUES:**

The Developer has entered into contingent purchase agreements with the owners of the required properties. Staff is unaware of the details of those agreements, but the dates contained in them may impact the timing of the Developer.

D. **FINANCIAL IMPACT:**

The Developer has determined that they would almost certainly require some degree of public financial assistance to make the project feasible. The most appropriate public funding identified by staff would be a Housing TIF District. At this point, it is far to early to determine either the amount of TIF needed to make the project viable or the amount of TIF that the proposed project would generate.

E. **LEGAL CONSIDERATION:**

N/A

ALTERNATIVE(S):

PRINCIPAL PARTIES EXPECTED AT MEETING:

ATTACHMENTS:

	Description	Type
▣	Context Map	Cover Memo

11/26/19 City Council/HRA/Planning Commission Work Session Context Map

