

REPORT TO THE CITY COUNCIL FROM
HOUSING POLICY & DEVELOPMENT COMMITTEE

October 2, 2019

A regular meeting of the committee was convened at 1:30 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: 822 Elwood Ave to Jaslyn Talley (dba 822 ELWOOD AVE N LLC) ([2019-01086](#))

Passage of Resolution approving the sale of the property at 822 Elwood Ave N, (Disposition Parcel No. MH-166), to Jaslyn Talley (dba 822 ELWOOD AVE N LLC) for \$65,000, subject to conditions. If Jaslyn Talley fails to close, approving the sale of the property to Roman Derevyanko for \$65,000, subject to conditions.

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

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

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

2. Gateway Northeast Project financing: 2435 Marshall St NE ([2019-01097](#))

1. Passage of Resolution approving the Tax Increment Financing (TIF) Plan for Gateway Northeast at 2435 Marshall St NE.
2. Passage of Resolution authorizing the issuance of a "Pay-As-You-Go" TIF note to CB LM Redevelopment Limited Partnership in a principal amount not to exceed \$2,500,000.
3. Authorizing a redevelopment contract and other necessary documents related to the recommended actions with CB LM Redevelopment Limited Partnership or an affiliated entity.
4. Passage of Resolution authorizing preliminary and final approval of the issuance of Tax Exempt Multifamily Housing Revenue Entitlement Bonds in an amount not to exceed \$23,000,000 for Gateway Northeast located at 2435 Marshall St NE.
5. Approving additional funding up to \$280,000 from the Affordable Housing Trust Fund for the Gateway Northeast project located at 2435 Marshall St NE.

Staff presentation by Emily Carr, CPED.

The public hearing was opened.

The following person spoke in support:

1. Andy Hughes, Director of Acquisition and Development for CommonBond Communities

The public hearing was closed.

Reich moved to approve and refer to the Ways & Means Committee meeting of October 8, 2019. On voice vote, the motion passed.

3. Lease renewal for City-owned properties at 1913 and 1919 Columbus Ave S to Baraka Plaza, LLC ([2019-01093](#))
 1. Approving the three-year lease renewal of 1913 and 1919 Columbus Ave S to Baraka Plaza, LLC, or an affiliate, for the purposes of maintaining and using a playground/play area as an accessory use to the Baraka Daycare Center at 1910 Chicago Ave S.
 2. Authorizing a lease agreement and related documents.

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

4. Anti-Displacement Policy Network participation report ([2019-01102](#))

Receiving and filing a report on the City's participation in the Anti-Displacement Policy Network.

Staff presentation by Katie Topinka, Andrea Brennan, and David Frank, CPED; and Nick Campbell, Office of City Coordinator/Division of Race & Equity.

The Chair afforded the courtesy of the floor to Owen Duckworth, Director of Organizing and Policy, Alliance for Metropolitan Stability.

Ellison and Bender moved the following staff directive: Directing the City Coordinator's Office, with assistance from the Departments of Community Planning & Economic Development and Regulatory Services, to contract with one or more consultants to undertake an economic impact analysis in order to evaluate rent stabilization as a component of housing policy in Minneapolis. The consulting contract should be in place no later than March 15, 2020. Staff should bring an update on progress to the Housing Policy & Development Committee by November 13, 2019.

The contract deliverables generally should include the following:

1. Establish a baseline and identify key factors for assessing annual rent increase caps as a rent stabilization policy in Minneapolis, which may include: Distribution of rent burden, rent cost trends, rental vacancy and turnover; and Composition of housing stock including age, ownership and geographic distribution of rental property.
2. Analyze these key factors within the Minneapolis context to understand potential impacts on renters and building owners. Key factors could include: Financial analysis of return on investment for rental property owners; Economic impacts to overall local economy and housing supply in other short and long term associated with capping annual rent increases; and Housing stabilization outcomes for tenants.
3. Provide potential modes for consideration rent stabilization policies that include rent increase caps and the economic impact of those models.

On voice vote, the motion passed.

The report was received and filed.

With no further business to transact, the meeting adjourned at 2:42 p.m.

Reported by Irene Kasper, Council Committee Coordinator